

F.O.

468

468

SAFE
23658
ROOM

CLOSED
UNTIL

2000

4

Printed for the use of the Foreign Office

SECRET

(18060)

FURTHER CORRESPONDENCE

RESPECTING

THE BRITISH COMMONWEALTH (GENERAL)

(Australia, Canada, The Irish Republic (Eire),
South Africa and General)

PART 3

January to September 1949

(Subsequent Correspondence Volumes in respect of British Commonwealth Affairs
are now compiled by the Commonwealth Relations Office.)

TABLE OF CONTENTS

No. and Name	Date	SUBJECT	Page
Chapter I.—AUSTRALIA			
1 Mr. Williams ... (Canberra) No. 110	1949 Mar. 30	The Papua and New Guinea Bill ... Debates on the Bill in the House of Representatives and the Senate and passage through all its stages	1
2 Mr. Williams ... No. 147	May 19	Australian immigration policy ... Difficulties arising from the pursuance of the "White Australia" policy; cases of Mrs. O'Keefe and Sergeant Gamboa	2
Chapter II.—CANADA			
3 Sir A. Clutterbuck ... (Ottawa) No. 35	1949 Feb. 10	Economic progress of Canada... Survey of the operation of Government measures to check drain on foreign exchange reserves and improve balance of payments with the United States during 1948	10
4 Sir A. Clutterbuck ... No. 120	April 6	North Atlantic Treaty ... Approval by both Houses of the Canadian Parliament of Canadian participation in the North Atlantic Treaty	13
5 Sir A. Clutterbuck ... No. 147	May 4	Republicanism in Canada ... Review of known trends of Republican thought	15
6 Mr. Boyd Shannon ... (Ottawa) No. 152	May 9	Canada and the North Atlantic Treaty ... Debates in the Senate and House of Commons on ratification of the North Atlantic Treaty and unanimous vote in favour	17
Chapter III.—THE IRISH REPUBLIC (EIRE)			
7 United Kingdom Representative, Dublin	1949 Mar. 8	Inter-Party Government in Eire ... Memorandum reviewing the activities of the Inter-Party Government during the past year and its future prospects	19
8 Sir G. Laithwaite ... (Dublin) No. 7	May 16	Inauguration of the Irish Republic ... Report on the events of Easter Monday, 18th April, 1949	21
9 Sir G. Laithwaite to Mr. Noel-Baker	May 19	Developments in the anti-partition campaign ... Analysis of the state of anti-partition agitation. Attitude of the Irish Government and activities of the opposition. Probable future course of the campaign	24
Chapter IV.—SOUTH AFRICA			
10 C.R.O. (communicated)	1949 April 8	South African foreign policy ... Speech by Dr. Malan in the Union Senate	28
11 Sir E. Baring ... (Cape Town) No. 152	May 25	Policies of the Nationalist Government ... Review of developments in internal and foreign affairs since October 1948	37
12 Sir E. Baring ... No. 168	June 7	Conference of Commonwealth Prime Ministers ... Reactions in the Union of South Africa to Dr. Malan's speech of 11th May, 1949	41

No. and Name	Date	SUBJECT	Page
Chapter V.—GENERAL			
13 Foreign Office ...	1949 Sept. 16	Situation in South-East Asia and the Far East ... Meeting between the Secretary of State and the Commonwealth Ambassadors at Washington. Account of talks with Mr. Acheson	46

SUBJECT INDEX

[The figures denote the serial numbers of documents]

- | | |
|---|--|
| <p>ANTI-PARTITION CAMPAIGN IN THE IRISH REPUBLIC—9.</p> <p>AUSTRALIAN IMMIGRATION POLICY—2.</p> <p>CONFERENCE OF COMMONWEALTH PRIME MINISTERS—
South African reactions to Dr. Malan's speech of 11th May, 1949—12.</p> <p>ECONOMIC PROGRESS OF CANADA—
Measures to check drain on foreign exchange—3.</p> <p>INTER-PARTY GOVERNMENT IN EIRE—7.</p> <p>IRISH REPUBLIC, INAUGURATION OF THE—8.</p> <p>NATIONALIST GOVERNMENT IN SOUTH AFRICA—
A review of developments since October 1948—11.</p> | <p>NORTH ATLANTIC TREATY, CANADIAN PARTICIPATION IN—
Parliamentary approval and ratification—4, 6.</p> <p>PAPUA AND NEW GUINEA BILL—
Debates in the Australian Parliament—1.</p> <p>REPUBLICANISM IN CANADA—5.</p> <p>SOUTH AFRICAN FOREIGN POLICY—
Speech by Dr. Malan—10.</p> <p>SOUTH-EAST ASIA AND THE FAR EAST—
Meeting between the Secretary of State and Commonwealth Ambassadors at Washington—13.</p> |
|---|--|

SECRET

FURTHER CORRESPONDENCE RESPECTING THE BRITISH COMMONWEALTH (GENERAL)

(Australia, Canada, The Irish Republic (Eire), South Africa and General)

PART 3.—JANUARY TO SEPTEMBER 1949

CHAPTER I.—AUSTRALIA

C.R.O. ref.: F 2830/2

No. 1

F.O. ref.: W 2892/2/68

AUSTRALIA: THE PAPUA AND NEW GUINEA BILL

*Mr. Williams to Mr. Noel-Baker (Received in Commonwealth Relations
Office 8th April)*

(No. 110.)

Canberra,

Sir,

30th March, 1949

I have the honour to report that the Papua and New Guinea Bill, 1949, has passed through all its stages in the House of Representatives and the Senate. The first part of this despatch is devoted to the searching, and, at times, impassioned criticism which the Opposition directed at the principle of trusteeship for New Guinea. I shall describe in the latter part of this despatch the Minister's introductory speech and the debate in Committee, which were devoted to the Bill's administrative provisions. A copy⁽¹⁾ of the Bill is enclosed as Annex A, and of the amendments⁽¹⁾ as Annex B.

2. The storm blew up unexpectedly. There had been no premonition of it in the Foreign Affairs debate which ended on the 17th February. In that debate, while the Opposition had criticised as over-zealous Dr. Evatt's devotion to the United Nations Organisation, they had done so only in general terms: the specific line of assault which they had exploited in the debate now under consideration would have given considerably more power to their attack then, and it appears unreasonable to suppose that they eschewed it deliberately.

3. A possible reason for their awakening may perhaps be found in the January issue of the Department of External Affairs'

"Current Notes" which appeared somewhat belatedly (though not so belatedly as the issue of October, 1948, which appeared together with it) shortly after the Foreign Affairs Debate had ended. This issue includes at page 81 an account of the discussions, at the Third Session of the Trusteeship Council which began in June, 1948, of the report on New Guinea for 1946-47 and the Papua and New Guinea Bill in its original form. The last paragraph of this account reads as follows:—

"Ratification of the Trusteeship Agreement"

The representatives of China and the Philippines raised the question of ratification of the Trusteeship Agreement. It was stated in reply that the agreement did not require ratification and entered into full force on its approval by the General Assembly on the 13th December, 1946. In Australian constitutional practice, ratification where required was an executive and not a legislative act. Legislation was necessary only to give effect in domestic law to an agreement binding Australia internationally. In this case, ratification was not necessary as the agreement had been proposed by the Australian Government and approved by the General Assembly and entered

⁽¹⁾ Not printed.

into full force from that date. Legislation was not essential but the agreement would be covered in the pending legislation for Papua and New Guinea for the purpose of clarity and certainty, and in order to incorporate its terms into domestic law."

To judge by their subsequent statements in the debate, the Opposition appear to have realised for the first time on reading this paragraph that they were being presented with the Trusteeship Agreement as a *fait accompli*. It may be worth while to review briefly the relevant part of the history of the agreement from the Australian side, to assign responsibility for this.

4. Such discussion as took place before the agreement was concluded was during the Foreign Affairs debate of March, 1946. Mr. Anthony (Liberal—Richmond, New South Wales) then suggested an amendment to the statement presented by the Minister for External Affairs, Dr. Evatt, to the effect that the prior approval of Parliament should be obtained before the agreement was concluded. When this was proposed by Mr. Abbott (Country Party—New England, New South Wales), Dr. Evatt refused to accept it because he had said that the agreement would be referred to Parliament.

5. In fulfilment of this undertaking, the Prime Minister, Mr. Chifley, presented to the House on the 7th August of that year, two days before the session ended, a statement including the proposed text of the agreement. At that stage of the session there was, of course, no opportunity for a debate; and the next step was the approval of the agreement on the 13th December, 1946, by the General Assembly. I can find no evidence that this was publicly announced in Australia as bringing the agreement into force, and there was at that time no Australian Treaty Series in which it might have been published. No questions were asked in Parliament; even the Australian representative's statement to the Trusteeship Council passed unnoticed; and whether or not the Government intended to achieve a *fait accompli*, it is difficult to avoid the conclusion that the Opposition for their part, if not lacking in a proper concern, were lacking in vigilance.

6. They were now faced with an unwelcome Trusteeship Agreement already in force, and with a Bill which had been laid before the House, withdrawn without debate, amended to meet the criticisms of the Trusteeship Council, and presented to

the House in a statement by the Minister which assumed that Trusteeship was the proper course and concentrated on administrative detail. Three reactions emerged from their speeches—frustration at having been, as they thought, outmanoeuvred; resentment that the costly conquest of New Guinea should not have been exploited purely in the interest of Australia; and disparagement of the United Nations as an effective organisation and of Dr. Evatt as its advocate. This last undoubtedly underlies a great deal of the Opposition criticism of Australian foreign policy; in this debate two speakers went so far as to denounce the Trusteeship Agreement as a manoeuvre on Dr. Evatt's part for the support of the small powers in his candidature for Presidency of the Assembly.

7. Fourteen members of the Opposition spoke in all, following with varying emphasis a common pattern. The expenditure of blood and treasure in New Guinea had, they maintained, given Australia the right to assert, when the League of Nations' mandate lapsed, complete authority, or at least as much as that exercised by the United States over its strategic trusteeship islands, the Carolines, Marshalls, and Marianas. The importance of New Guinea to Australia, as a defence both in war and against the spread of Communism in South-East Asia, would justify such a step, or even integration with Australian territory as South-West Africa had been integrated with the Union of South Africa. The terms of the present trusteeship allowed only the defence of the territory itself, whereas the need was for bases in the territory from which to defend Australia. Even these defences would be useless if the provisions for inspection were to lay them open to the eyes of Russians and other ill-disposed persons. For its own—and Dr. Evatt's—prestige with United Nations, the Government had sold a vital pass.

8. The Government (so the Opposition argued) had also accepted an implied slur on the work of such outstanding Colonial administrators as Sir Hubert Murray in submitting to supervision by the "rag-tag and bobtail of civilisation," and in inserting a reference to the slave trade which read like a prohibition of an abuse that actually existed. The best way to administer New Guinea was in accordance with the experience Australia had already gained, upon which improvements might well be made by encouraging European

immigration (which would also serve the purposes of defence) and by developing the territory as the Dutch had developed Indonesia. These last topics incidentally gave Mr. W. M. Hughes, having risen to speak as the Prime Minister who at the 1919 Peace Conference had secured the mandate for Australia, an opportunity for a discursion on the White Australia policy. In token of the Opposition's disapproval, Mr. White (Country Party—Balaclava, Victoria) moved an amendment that the Bill be withdrawn and referred to a select committee.

9. Against this main attack the Government defence was made by three ministers and three back-benchers. On the whole the Opposition had been careful to demand not annexation, but a strategic trusteeship on the ground that it was virtually as good as annexation. Mr. Haylen (Labour—Parkes, New South Wales, and Mr. Calwell (Minister for Immigration and Information) disregarded this fine distinction and smote the Opposition hip-and-thigh as annexationists, "sabre rattlers" and "jingo imperialists," who disregarded the Allied declarations that the last war was not one of aggrandisement.

10. More direct answers to the Opposition's main points were given by Mr. Beazley (Labour—Fremantle, Western Australia), who can usually be relied upon, in any discussion of Foreign Affairs, to contribute more of real substance than any other back bencher (presumably because he is said to be briefed by the Department of External Affairs). He argued from the text of the Trusteeship Agreement that Australia had defence rights in New Guinea (which pre-1939 Governments had not had under the mandate) and had almost complete discretion to order matters as it saw fit; and that as far as sovereignty was concerned, the Administrator would swear allegiance to His Majesty The King and not to the United Nations. The case of South-West Africa was not a true parallel, for there the motive of the South African Government had been to equate the position of the natives in that territory and in the Union in order to prevent native discontent in the latter. To refuse the obligations of trusteeship, including reports and inspections, would have aroused suspicions about the administration of the territory.

11. Mr. Chambers, Minister of the Army and acting Minister for External Territories, began his reply to the debate by quoting Dr. Evatt's and Mr. Chifley's

statements in 1946 on the Trusteeship Agreement to prove that the Opposition had had, and missed, an opportunity to protest against its terms. He very properly deprecated the slighting references which had been made to member states of the United Nations. He defended the terms of the Agreement as similar to those accepted by others for strategically important areas—for example by the United Kingdom for Tanganyika. After certain further observations by the Minister, which will be more appropriately reported with the debate in Committee, the House divided on Mr. White's amendment, which was defeated by the usual Government majority.

12. This argument broke out again in Committee over Clause 6 (which approved the Trusteeship Agreement) with renewed violence but little novelty, except for an outright attack by Mr. Blain on Dr. Evatt, who, he alleged, had said to him that he did not believe in the New Guinea trusteeship, but had been forced into the arrangement by pressure from the smaller countries. Another division was forced, but was as usual won by the Government.

13. It was also necessary to reassure the Opposition again that the provision in Clause 7 for reports to the United Nations would not result in the Australian territory proper of Papua being "invaded" on the pretext of enquiries into the affairs of the other half of the administrative union; and on Clause 8 they continued to protest that union was in any case premature and should be reconsidered; their protests were, however, somewhat perfunctory.

14. Mr. Chambers in his opening speech on the 13th February had not, as I have already observed, anticipated an attack on the fundamental principle of trusteeship, but had gone through the bill explaining and anticipating detailed criticisms of the kind that might be expected in Committee. He began with the amendments made to meet criticisms in the Trusteeship Council: the recasting of Sections 8 and 10 to emphasise the continued separate identity of the two territories; the omission of Section 11 because of the possibility that the provinces for whose creation it provided might obliterate the boundary between the territories; and the introduction in Section 36 of the Bill, of representation for the inhabitants of the territory in the Legislative Council. He re-emphasised that the submission of the Bill to the Trusteeship Council did not detract from the authority of the Australian Government. After

briefly reviewing the administrative history of the territories leading up to the Trusteeship Agreement for New Guinea, he pointed out briefly the provisions in its Articles 4 and 5, on which so much controversy was later to centre in the Second Reading debate; it is these which give Australia the right to administer the Territory of New Guinea as if it would be an integral part of Australia, having regard to the basic objectives of trusteeship as set out in Article 76 of the Charter of the United Nations.

15. He described as the main purpose of the Bill the administrative union of Papua and New Guinea, which experience under military administration during and immediately after the war, and under the provisional joint régime which followed it, had shown to be desirable. The main reasons were the geographical unity of the two territories and the unreality of the "line drawn on a map" between them; the need for a unified control of development for the raising of living standards; the advantage of a combined Public Service with wider opportunities for experience and promotion; and the improved ease of organising economic resources and communications.

16. While the Bill followed in principle the Acts previously governing Papua and New Guinea, apart from the provisions relating to the Trusteeship Agreement, Mr. Chambers drew attention to some important departures from the earlier Acts. The first of these was the institution of Councils for Native Matters and Native Village Councils in New Guinea as well as in Papua, where they had been functioning for some time; their development would, however, necessarily be gradual. The second was the provision for elected non-official members, and also native (though nominated) non-official members, in the Legislative Council. (The Minister made no further reference at this point to the fact that this resulted from a Trusteeship Council recommendation.) The third was the conferment upon the Governor-General of legislative powers until a unified legal code was worked out. The fourth emphasised the Government's purpose of development and improvement, even at the Commonwealth's expense; and the fifth instituted a school of administration.

17. He claimed that the development of the territory and the raising of its inhabitant's living standards would be no more than a continuation of the Government's policy since the war; this had begun

with compensation under the Australian War Damage Scheme and its corresponding special scheme for the natives; and with special grants for the rehabilitation of the copra industry, which would raise annual output from the current 45,000 tons to 60,000 tons, the nearest that it was possible to approach after war-time damage to the pre-war level of 87,000 tons. The restoration of shipping was well advanced; but that of accommodation, which, except at Port Moresby, had been completely destroyed, was still largely at the stage of planning. Research work was opening the way for the cultivation of cocoa, tea, coffee, rice and jute on a commercial scale, and also for raising cattle, sheep and horses. Native co-operative societies which were being fostered would assist development. Education would be developed by training native teachers and providing a state education service in which the missions, which had done valuable work, would continue to play a part. Natives trained as medical assistants would also form part of extended and improved health services.

18. The Opposition's first questions when the Bill was being considered in Committee arose from the definitions in Clause 5. In reply to the first, Mr. Chambers promised in categorical terms that the ordinance determining the qualifications of electors would be submitted to Parliament and an opportunity for debate given. The second was about the disappearance of the definition of provinces, and was not answered presumably because it was a consequence of the excision of Clause 11, which had already been explained. Mr. White and Mr. Anthony, in the discussion on Clause 26, criticised the large numbers of natives employed, not always usefully, by the Administration: as a result their natural pursuits of agriculture and fishing were neglected and employers were unable to secure labour for their plantations. Clause 28 provoked criticism by the Opposition of its provisions for taking minutes of advisory council meetings and forwarding them to higher authority; these were said to be impractical both because of the natives' lack of acquaintance with the English language and because of the resultant multiplication of documents which would probably remain unread. Such impractical provisions were typical results of meddling by the Trusteeship Council. Mr. Chambers defended the natives' knowledge of English and the work that was being done to improve it

through such media as the *Rabaul News*, published by the Education Department in English and pidgin English. The only non-Government amendment, which was however accepted by the Government, was moved by Mr. Adermann (Country Party—Maranoa—Queensland) on Clause 36 (1) (d) and reinstated the word "Christian" which had appeared in the 1948 Bill, for the word "religious." The Minister reassured the House that the Trusteeship Council had not pressed for the change. Further doubts about the Council were raised by Mr. Beale over Clause 52 (i), when he expressed misgivings that the administration in the Territory of the White Australia policy might be difficult to reconcile with sub-paragraph (d) of Article 76 of the United Nations Charter: Mr. Chambers promised to examine the matter and give later opportunity for clearing it up. In the course of the debate, he also obtained approval for two minor amendments and a new clause, which are set out in Annex B. There were no divisions at either the Committee or Third Reading stages.

19. In the Senate, after the usual repetition by the Minister for Supply and Development (Senator Armstrong) of Mr. Chambers' Second Reading speech, the second-reading debate was brief. It was still maintained that New Guinea should have been put under strategic trusteeship or made Australian territory, and the earlier criticisms of trusteeship on defence grounds were repeated, but Senator Cooper (Queensland—Leader of the Opposition), saw a danger of divided authority in the concern of two Australian Departments (of External Territories and External Affairs) as well as the Trusteeship Council and the Territory's own Administration, in the affairs of the Territory. Senator Murray (Liberal—Tasmania) criticised the Administration from his experience in the territory: in particular he alleged failure to develop telecommunications; to make full use of military equipment left in the terri-

tories; on the part of the Minister, to acquaint himself thoroughly with conditions in the territories by visits or through responsible representatives; and to recruit and train a fully effective administrative service. Senator Armstrong's reply was however mainly concerned to dispel doubts about the effects of trusteeship on defence by showing that the Articles concerned of the Charter and Trusteeship Agreement either did not mention military arrangements as an object of report or inspection, or specifically reserved them for the administering authority.

20. The principal event of the Committee stage in the Senate was the insertion of a new sub-clause in Clause 36; it provides for an oath of allegiance to be taken by members of the Legislative Council; it had been suggested by the Opposition in the House of Representatives, for the purpose of preventing Communist penetration into that body. The new sub-clause is set out in Annex B, together with the form of the Oath of Affirmation for the purpose, which now form the Sixth Schedule of the Bill, and two small consequential amendments. The Opposition also moved an amendment to Clause 64, which they saw as withholding in certain circumstances the right of appeal from the Australian High Court to the Privy Council, in order to remove that disability. Senator Armstrong, although able to point out that the provision did no more than perpetuate the Papua Act of 1905, promised to ask the Acting Minister for External Territories to consider the matter. The House of Representatives accepted the Senate's amendments and it now remains only for the Bill to receive the Royal Assent and be proclaimed as an Act. Of the dates of these events I shall inform you in due course.

I am sending a copy of this despatch to the United Kingdom High Commissioner at Wellington.

I have, &c.

E. J. WILLIAMS.

C.R.O. ref.: M 2772/30

No. 2

F.O. ref.: W 3322/2/68

AUSTRALIAN IMMIGRATION POLICY

Mr. Williams to Mr. Noel-Baker. (Received in Commonwealth Relations Office 28th May)

(No. 147)

Canberra,

Sir,

19th May, 1949.

I have the honour to inform you that there has recently been considerable discussion in Australia over what is known as the "White Australia" policy. This policy was originated in the early years of this century primarily with the object of removing competition engendered by the employment of Kanakas in the sugar plantations and of Chinese who came to work in the gold mines, and at the same time of prohibiting the immigration of Japanese. The main motives which inspired the policy were economic in character, but it is probably true to say that there has always been behind this principal motive a deeply-based fear of coloured races.

2. Nevertheless, the official dogma of the Labour Party as laid down by Mr. Curtin during his administration is that the Immigration Act has no spirit of antagonism towards any people because of their nationality or their location; the words "White Australia" do not appear in any Australian Statute; the Immigration Act is to protect Australian standards against the incursion of organised coolie labour, slave labour, badly-paid labour, badly-housed labour, which are not in the interests of these people nor in the interests of Australia. The recent action on the Government's part, however, in the widely publicised cases of Mrs. O'Keefe and Sergeant Gamboa, to quote only the two most well known, have thrown some doubt in people's minds upon the purely economic motives behind Australian immigration policy. Details of these two cases are given in annexes to this despatch. The O'Keefe case in particular became an immediate topic of interest both in the press and in the House as soon as Parliament assembled.

3. In Parliament, Mr. Calwell had said that it was possible to have a White Australia or a Black Australia, but a mongrel Australia was impossible. He was *not* going to take the first steps to establish precedents which would open the flood gates, and the decision of the High Court that he did not have the necessary legal

powers to deport Mrs. O'Keefe led him on 23rd March to make an important speech to the Australian Natives' Association at Bendigo in defence of his immigration policy, a copy of which is enclosed as annex C⁽¹⁾ to this despatch. Mr. Calwell said that the High Court decision went far beyond the question of the repatriation of a single Indonesian family, in that it conferred on non-Europeans who had lived in Australia for five years or more the right to permanent residence, unless the Immigration Act was amended. Thousands of people were involved, and experience had shown that a group of Asiatic people living in another country would divert to themselves not only their families, but also their relatives and friends. The inflow of so many peoples of different religions, standards of living, cultures and national characteristics could not but lead to friction, and, pointing to recent happenings in South Africa, eventually to rioting. The whole concept of Australian established laws and practices would be threatened by a numerically strong body of Asiatics, whose presence in the country, indeed, as refugees, was proof enough of his Government's humanitarian instincts and a rebuttal of the fallacious arguments that Australia's immigration policy was based on claims of racial supremacy. Attacking the press, he referred to the damage that could be done to a principle which was held on all sides by the "stunting" technique of throwing the spotlight of publicity on individual cases where compassion seemed to demand that a particular Asiatic or Asiatic family should be allowed to remain in Australia. Such cases were exploited to the limit with no thought of the underlying principles of Australian immigration law, and with the object of representing himself as a heartless monster administering a repressive policy without pity or compassion. His Celtic ancestry had given him as tender or sentimental a heart as the next man, but he had a stern duty to his country and his countrymen. No policy was worthy of the name unless it was administered fairly and consistently. He was the Minister personally responsible to the Australian people for the maintenance of

(1) Not printed.

the present composition of the Australian population, upon which 99·9 of Australians insisted. He ended by stating that he would refer the whole matter to Cabinet with a recommendation that amending legislation be presented to the next Session of Parliament on 18th May to repair the weaknesses in the Immigration Act disclosed by the High Court's decision; there would be no watering down of the "White Australia" policy, so long as Labour remained in power.

4. It might have been thought from a perusal of this speech that the "White Australia" policy as such was questioned by the opponents of the Government. This, however, is not the case.

5. In a motion on the adjournment, on 9th February, both Mr. Menzies, the leader of the Liberal Party, and Mr. McEwan, Deputy Leader of the Country Party, came out strongly for the policy of immigration restriction; it was the settled policy of all Australian parties and should not be made a political chopping-block; there could be no denying, however, that it was under challenge in the world to-day. Mr. Menzies said his criticism was not of the policy itself, but of its inept handling by the present Minister of Immigration, who had done more to bring resentment and inflame hatred against Australia and the "White Australia" policy than any other Minister in the history of the Federation. He maintained that the policy must not only be sound, but also that it must be applied by a sensible administration, neither rigid nor peremptory, but wise, exercising judgment on individual cases, remembering the basic principle, but always understanding that harsh administration never yet improved any law but only impaired it, and that needlessly harsh administration raised up, in law, hostilities that some day might destroy it.

6. The press, too, has come out, with one exception referred to below (which, nevertheless, is not so far removed from the school, to which Professor Macmahon Ball belongs, which advocates the introduction of a quota system for Asiatics) in defence of the present "White Australia" policy. The general line taken is, perhaps, best exemplified by the following extracts from a series of articles in the *Melbourne Herald*. There was no responsible body of opinion which believed that the "White Australia" policy should be relaxed on economic grounds, and that large numbers

of people of non-European races should be allowed into Australia in such a manner as to endanger standards of living, but there was a growing number of people who believed that some non-Europeans had a good claim, being in Australia, to remain there, or being elsewhere, to be admitted for a limited time, and that, as those people would amount to a few hundreds, or at the most to a few thousands, any suggestion that they would endanger Australia's economic structure was ridiculous. The Australian Government claimed the right which Asiatic countries themselves exercised, to regulate migration in the interests of the preservation of her economic structure, but nevertheless that policy was to-day being perverted to Australia's great detriment, by discrimination against individuals, not because they were an economic danger, but because they were coloured. Mr. Calwell's opponents suggested, not that non-Europeans should be admitted in numbers large enough to affect the labour market in any part of Australia, but that non-Europeans who happened to be in Australia for reasons which once, at any rate, were deemed good, and who had formed some special attachment there, should be allowed to remain. Public policy should, in any case, resolutely oppose sundering families, and where the law appears to require that, the law should fail. It was contrary to Australian sentiment that the Government should persist in a series of acts which appeared to the majority to be unjust and abhorrent to Christian sentiment.

7. It may indeed be said with confidence that an overwhelming majority of Australians, irrespective of party, support the "White Australia" policy, and that the opinions expressed in the press, though perhaps tinged by political considerations, reflect fairly accurately the views of the average thinking Australian. Their main concern at the moment is the regret that the term "White Australia" has, without any official sanction, become so firmly attached to the policy and thus adds the stigma of racialism to a matter which, so it is maintained, is really economic in origin. Many express the hope that the term may be decently interred.

8. The one paper which has come out in opposition to the "White Australia" policy is, as might have been expected, the *Communist Tribune*. At the Fifteenth

E*

Congress of the Australian Communist Party held in 1948, it was declared that :—

“The ‘White Australia’ policy of the local race theorists remains a barrier to good neighbourly relations with the coloured peoples of the Pacific. The Communist Party by no means favours flooding the country with cheap labour for the capitalists, but this does not justify the so-called ‘White Australia’ policy, which is a ‘superior race’ theory, similar to that of the Hitlerites. This policy admits Fascist-minded Balts, who are prepared to break down trade union standards by working for starvation wages, but excludes Malaysians who have good war and trade union records. The Communist Party favours a quota system of immigration based on the country’s capacity to absorb new migrants, a system that would not discriminate against potential migrants on grounds of colour, race or creed. This should form an essential part of a policy of peace, friendship and economic and cultural co-operation with our neighbouring countries of the Pacific, which is vital to the future security and prosperity of this country.”

9. The main interests in Mr. Calwell’s administration of the policy are twofold :—

- (1) in its effect upon neighbouring Asiatic countries; and
- (2) in its effect in the Labour Party itself.

10. It would be difficult to find a single instance before 1945 of Australian immigration policy having created widespread resentment in Asia. Before the war the Australian Government had admitted Asiatics on a temporary basis, and it is claimed that the latter were satisfied to know there was no absolute iron curtain. But ever since the deportation of certain Malayan seamen and more particularly since the furore created by the O’Keefe case and fanned by the Gamboa flames, evidence has been coming in that the present administration of the policy is a source of bitter irritation in many Asiatic countries. Sultan Hamid II, of West Borneo, has said that, when Indonesia obtains its sovereignty, it would show Australia what it could do about the “White Australia” policy. The Ceylon

Daily News has demanded that all Asian countries should deal with Australians as they dealt with Alice Nona, the Ceylonese servant to a European family, who has only been permitted to stay in Australia for one month. The Philippines have passed a Bill prohibiting the entry of aliens whose countries do not grant reciprocal rights to Filipinos. Recently a Siamese nurse has been compelled to leave after many years residence with a clerical family in Western Australia. There is a widespread feeling that, from the point of view of Australia, this unstatesmanlike attitude on the part of Mr. Calwell is undoing the goodwill which Dr. Evatt has been trying to store up in an attempt to better Australia’s relations with her Eastern Asiatic neighbours and might lead, if not to open hostility, at least to a sterility of intercourse between neighbouring countries where after the war there was a rich harvest of friendship waiting to be reaped.

11. It is this point which leads directly to the supposed clash within the higher ranks of the Labour Party which is the subject of much speculation. It is understood that Dr. Evatt has all along strongly opposed the aggressive bluntness with which the immigration laws are being invoked against Asiatics, although he was constrained to deny in Caucus that the “White Australia” policy had ever embarrassed Australian representatives at any meeting of the United Nations; Australian Delegates have nevertheless not been spared criticism in more recent meetings of the Assembly. At the time of the deportation of the Malayan seamen, he and Mr. Calwell were said to be in serious disagreement, and rumours from New York have had it that he is anxious to initiate measures at the topmost level to solve the Gamboa issue. So far there has been no open breach within the Cabinet and Mr. Calwell has had the solid support of Mr. Chifley; with the approach of the general election it is unlikely that any break in the ranks will be allowed to appear on the surface. Mr. Calwell’s success in continuing his policy in spite of its embarrassing consequences is indeed as much a measure of his strength within the Victorian branch of the Labour Party as of his peculiar stubbornness of character. So far as the immediate future is concerned, now that Mr. Calwell has gone so far along his path, there can be no turning back for him—indeed he has publicly declared that the Government’s

immigration policy remains unchanged and unchangeable—with the result that there is small prospect of Australian relations with the Near North improving in the near future. Much will depend upon the framing of the new amendments to the Immigration Act, which is likely to be one of the first pieces of business before the House when it reassembles. Provided, however, they are sensibly framed, they should have the support of all sections of opinion but the most extreme.

12. I am sending a copy of this despatch to United Kingdom representatives in other Commonwealth countries, to His Majesty's United Kingdom Ambassadors in Bangkok, Manila and Rangoon, to the Commissioner-General for South-East Asia, to the High Commissioner for the Western Pacific, and to the Head of the United Kingdom Liaison Mission in Tokyo.

I have, &c.

E. J. WILLIAMS,

High Commissioner.

Annex A

Mrs. O'Keefe arrived in Australia with her seven children in 1942 as an evacuee from Indonesia. She was then married to an Ambonese named Jacob, who was killed in an aeroplane accident in 1944. As in the case of all Indonesians given sanctuary in Australia for the duration of hostilities, the Dutch Government agreed to repatriate them as soon as possible after the end of the war. The lady and her children were still in Australia at the beginning of 1947, and she then asked to be allowed to remain in Australia for an extended term, since she had received an offer of marriage from "an elderly Australian neighbour." The Immigration authorities refused this permission and she was given a certificate of exemption until 10th April, 1947. She had, however, not left Australia by the end of May and, as she proposed to marry Mr. O'Keefe in June, a further extension of the family's stay was granted until the end of 1947. (As a result of her marriage, by Dutch law Mrs. O'Keefe became a British subject, but the conditions of her residence in Australia were not thereby affected). Because of the unsettled state of Indonesia, a further extension of more than twelve months (to 31st December, 1948) was granted in November 1947. Further extensions were refused and on 9th February, 1949, Mr.

Calwell signed a direction under Section 4 of the Immigration Act that she together with her children should leave the Commonwealth by 23rd February. However, on 15th February, a High Court writ was issued by her solicitor claiming that the Minister for Immigration did not have the necessary legal powers to deport Mrs. O'Keefe. The ruling of the Court given on 18th March was that she might stay in Australia with her eight children, and there the matter now stands.

Annex B

Sergeant Lorenzo Gamboa is in a somewhat different category. He is a Filipino-born United States citizen, who served in the American Forces in Australia during the war, and during that period married an Australian wife from Victoria. Being drafted away from Australia, he left his wife and children behind, and has now been refused an entry permit by the Australian authorities to enter Australia for the purpose of seeing them. The reason for this refusal is given in the following extract from a letter (as quoted in the Australian press) from Mr. Patrick Shaw, Head of the Australian Mission in Tokyo, to General MacArthur's legal adviser in Tokyo (Sergeant Gamboa is at present serving on General MacArthur's staff).

- "As Sergeant Gamboa is not eligible under the Australian immigration policy, he cannot be granted admission as a permanent resident.
- "In the light of General MacArthur's interest in the matter, his entry as a visitor has been given the fullest consideration.
- "However, as Sergeant Gamboa and his wife have both stated it was his intention to remain in Australia, and as he has also made application for admission as a permanent resident, he could not be regarded as coming within the policy that allows for the admission of visitors.
- "To grant such admission would lead to complications and would establish a precedent for other non-European husbands of Australian women who had married during the war. In view of the above circumstances, it is regretted that authority cannot be granted for Sergeant Gamboa to enter Australia temporarily."

CHAPTER II.—CANADA

C.R.O. ref.: O 2291/41

No.

F.O. ref.: W 1350/1/68

SURVEY OF CANADA'S ECONOMIC PROGRESS

Sir A. Clutterbuck to Mr. Noel-Baker. (Received in C.R.O. 18th February)

(No. 35)

Sir, Ottawa, 10th February, 1949

I have the honour to report that the measures set in motion by the Canadian Government in the autumn of 1947 to check the drain on Canada's reserves of foreign exchange and to reduce the growing deficit in Canada's current balance of payments with the United States achieved a remarkable degree of success over the year 1948.

2. The first substantial signs of progress were noticed towards the end of September, when it was announced that Canada's exports to the United States in the first eight months of 1948 showed an increase of 36 per cent. over the 1947 figures. When this announcement was made, the Minister of Finance, Mr. Abbott, hinted in a statement to the press that a number of the import restrictions imposed in November 1947 might be relaxed later in the year. Shortly after this, at the beginning of October, Mr. Abbott was able to announce that Canada's United States dollar position had improved sufficiently to make it unnecessary for any further drawings to be made on the \$300 million credit obtained from the Export-Import Bank in the autumn of 1947. Canada had only drawn \$140 million of this amount, the whole of which had been repaid out of the proceeds of a fresh loan of \$150 million raised privately during 1948 from three United States insurance companies.

3. Later in the month, the hopeful trend indicated by these developments was further underlined by publication of the full trade figures for August. These showed a month's deficit of \$20,300,000 with the United States, which was the lowest on record since December 1945, and a deficit over the first eight months of the year of \$277,100,000 as compared with \$644,500,000 for the same period in 1947. At about the same time as these figures were published, Mr. Abbott was able to announce that, thanks to the steady improvement in the United States dollar position, which they reflected, the import restrictions on certain specified vegetables would

be removed later in the year and the import quotas on citrus fruits and fruit juices would be increased.

4. The September figures again showed a substantial further rise in the volume of Canadian exports to the United States, and, most significantly, for the first time since August 1945 revealed Canada as actually having a favourable balance with the United States. The amount was relatively small (\$11,400,000) and was probably largely due to heavy and exceptional exports of beef and beef cattle following the lifting of the ban hitherto preventing such exports to the United States. Nevertheless, this achievement was regarded as a highly encouraging sign of the growing success of the Government's policy for correcting Canada's disequilibrium with the United States. In October the balance was again adverse, but at the modest figure of \$9,700,000, and in November there was a favourable balance of \$1,500,000.

5. Finally, on 15th December Mr. Abbott was able to announce those relaxations of the import restrictions imposed in November 1947, at which he had hinted in September. The list of relaxations is at first sight long and impressive. A number of food-stuffs and manufactured products are completely freed, and a considerable number of other commodities which have been on the prohibited list are transferred to a quota basis; all these changes take effect as from 1st January, 1949. On closer inspection the list proves to be more the fresh imports from the United States which will be permitted under it. On the whole it represents a moderate and cautious relaxation which it is estimated impressive in length than in the value of is not likely to add more than \$50 million over the year 1949 to Canada's dollar out-goings. Further relaxations are promised for next July should things continue to go well, and, in particular, it is hoped that it may prove possible to free completely all types of fruit and vegetables.

6. So far as Canada is concerned, the most important of the relaxations so far

permitted is probably the removal from the prohibited list of various types of building equipment. The scarcity of this equipment has seriously hampered building programmes in Canada, and the relief afforded under this heading will be of substantial help. Apart from this, an important effect of the relaxations will be to afford a fresh stimulus to United Kingdom exports to Canada. The relaxations have been framed in such a way as to remove various restrictions, which in 1948 have had the effect of interfering with the development of United Kingdom exports. The Canadians have gone out of their way to be helpful in this respect, and will no doubt be expecting United Kingdom exporters to take the fullest possible advantage of the new opportunities offered.

7. On 6th January Mr. Abbott gave the figures for Canada's official holdings of gold and United States dollars on 31st December, 1948, which amounted to \$998 million. This figure, of course, includes the \$150 million borrowed in the United States, but the net figure of \$848 million represents an impressive achievement when set against the figure of \$461 million, at which the reserves stood on 17th December, 1947. It is the intention of the Canadian Government to publish the figures of Canada's holdings in gold and United States dollars on a quarterly basis in future.

8. The following figures may help to emphasise the remarkable way in which the adverse trend in 1947 has been reversed. The cumulative adverse balance with the United States over the first eleven months of 1948 declined to \$273,700,000, as compared with \$884,200,000 over the same period in 1947. The value of exports to the United States over the whole year showed an increase of about \$450 million. It is of interest to note in this connexion that the largest relative gains in exports were in the field of agricultural products. The value over the year of exports to the United States of cattle, beef, poultry and coarse grains was more than \$130 million as compared with a bare \$20 million in 1947. Cattle and beef alone accounted for more than \$100 million. The value of imports showed a reduction of about \$200 million. A significant part of this result is due to the growing development of the Alberta oil-fields, new production from which in 1948 has led to a substantial saving of dollars which would otherwise have had to be spent on importing oil from the United

States. It will be apparent, therefore, that Canada has been strikingly successful in both of the two objectives she set herself at the end of 1947. The import restrictions have achieved a real and substantial saving, and at the same time the drive for exports to the United States has produced better results than even the most optimistic thought possible at the time.

9. Nevertheless, it would be misleading to suggest that these almost spectacular results have allayed the very real fears felt for the future. For the present all is going well, but there remains a persistent undertone of disquiet about the medium term prospect. The short-term prospect covers the period up to 1952 during which it may be presumed that E.R.P. will continue in being. As a result of her experience in 1948 Canada has undoubtedly acquired renewed confidence in her ability to maintain and improve her position under the conditions expected for this period. The most important of these conditions is of course the continuance of E.R.P. off-shore purchases in Canada on substantially the present scale. If through exceptionally good harvests in the United States or a recession leading to a displacement of Canadian supplies by United States surpluses off-shore purchases were reduced, this would be a heavy blow to Canada. Canadians are not inclined to take too seriously at present the various hints of a possible curtailment which have been thrown out by E.C.A. in Washington (and in Canada by Dr. Fitzgerald). At the same time the possibility cannot be dismissed and is therefore an underlying cause for anxiety even about the short-term prospect.

10. The long-term prospect is the golden age of a multilateral trading world towards which all our plans are directed. But it is increasingly clear that this goal will still be some way ahead in 1952, and it is on the period immediately succeeding 1952 that Canadian anxieties centre. This is what I have referred to above as the medium-term prospect.

11. These anxieties are based on two considerations which in Canada at least seem very real. First, the whole nature of the Canadian economy has been transformed over the last four years. Canada over this period has experienced a major investment boom culminating in \$3 billion dollars' worth of new investment in 1948. The effect of this has been an enormous increase in her output of processed and manufactured goods of every kind.

Secondly, over the same period there has been taking place a steady drying up of most of the overseas markets to which Canada would wish to export the fruits of her productive capacity. All over the world, except in the United States and, for a brief period now over, South Africa, the import restrictions which sheer necessity has imposed on potential buyer countries have increasingly excluded Canadian manufactures.

12. Canadians see no ready-made solution to the difficult problem which this situation has set them. Present policy is to concentrate every effort on finding markets for their manufactures in the United States. As the figures quoted above illustrate, this policy is meeting with a very encouraging initial success. Two factors will probably help its further development. One is the plan recently under discussion between Washington and Ottawa for the standardisation of all types of United States and Canadian military equipment and for a joint production programme in the field of defence under which in effect an appreciable section of Canadian industry will be engaged in production for the United States. The second is the possibility of a further relaxation under suitable reciprocal arrangements of the United States tariff. This is at present weighted in such a way as to encourage exports of food and raw materials from Canada to the United States but at the same time to load the scales against the export of manufactures. It is certainly a major objective of Canadian policy to secure a fresh agreement which will allow a freer flow of manufactures to the United States and the Democratic success in the November election has naturally caused the Canadian Government to take a more hopeful view of achieving it. Although there are divergent views about the proper timing of any approach to the Americans on this subject, the prevailing view at present appears to be against any precipitate move. I have, however, no doubt that at some suitable time in 1949 or 1950, unless the present slight recession in the United States should develop into something serious, we may confidently expect to see Canada embarked on a serious attempt to secure a new and more favourable reciprocal trade agreement with the United States.

13. Supporting this policy of concentrating on the United States market as a major outlet for Canadian exports of manufactures are three very real appre-

hensions felt here about the probable outcome of four years of E.R.P. In the first place, the Canadians do not believe that by 1953 Western Europe will be economically on its feet and in a position to buy its requirements freely in a multilateral trading world. There is of course every reason to suppose, in the light of recent information about the four-year plans of the participating countries, that their judgment is correct in this. Secondly, they fear that one inevitable effect of E.R.P. will be to make the participating countries increasingly accustomed to looking to the United States as the main and natural source of their essential dollar supplies, and not to Canada for anything which the United States produces and is willing to export. Thirdly, and perhaps most important, they fear the medium-term effects of the major effort now being made by the participating countries and by sterling area countries, to draw from each other (and even from Eastern Europe) as much as possible of what would otherwise have to be bought from dollar sources. However genuinely we profess our desire for the earliest possible achievement of multilateralism, it is difficult to convince Canadians that the effect of our current and immediately contemplated trade arrangements will not be to set new patterns which will gradually grow too hardened to break. The sensitiveness displayed here over our arrangements to buy canned fish and timber from Russia and bacon and eggs from Poland is a clear expression of their apprehensions on this point.

14. It emerges from this analysis that Canada is now compelled to see herself increasingly dependent on the United States. In the short term she is entirely dependent on the continuance of E.R.P. (which is taken as reasonably certain) and more specifically on the continuance of off-shore purchases in Canada on the present scale (about which there is a certain cautious confidence). In the medium term, she is being compelled to take as her most reliable basis for planning an agreement under which the United States will revise its tariff in favour of Canada. In this situation Canadians, while justifiably congratulating themselves on the ground won in 1948, remain under no illusions about the uncertainties ahead.

I have, &c.

P. A. CLUTTERBUCK,
High Commissioner.

C.R.O. ref.: F 2075/38

No. 4

F.O. ref.: W 2630/1/68

NORTH ATLANTIC TREATY: DEBATE IN CANADIAN HOUSE OF COMMONS

Sir A. Clutterbuck to Mr. Noel-Baker (Received in Commonwealth Relations Office 12th April)

(No. 120)
Sir,

Ottawa,
6th April, 1949.

As I had the honour to report in my telegram No. 383 of 29th March, the House of Commons of Canada on 28th March, supported by 149 votes to 2 a motion, of which the text⁽¹⁾ is enclosed, approving Canadian participation in the North Atlantic Pact. On 31st March the Senate gave unanimous approval to a resolution in the same terms.

2. The resolution which the Parliament of Canada was invited to approve laid great stress on the fact that the Pact was consistent with the Charter and purposes of the United Nations; reference was made, both in the preamble and in the second paragraph of the resolution, to Article 51 of the Charter, which recognises the inherent right of individual or collective self-defence, and the first paragraph of the resolution reaffirmed support of the United Nations and faith in the principles and purposes of its Charter. The Prime Minister struck the same note in his speech moving the resolution and emphasised that the North Atlantic Pact had only become necessary owing to the failure of the United Nations Organisation to provide, for the present, the security against aggression which was one of its primary aims. He recapitulated at some length the story of the attempt to achieve security through the machinery of the United Nations and its frustration owing to Soviet intransigence, from the San Francisco Conference in 1945 to the drafting of the North Atlantic Pact in 1948-49. He stressed, however, that the Pact was to be far more than an old-fashioned military alliance, in that it was based on the common belief of the North Atlantic nations in the values and virtues of Christian civilisation and on their common determination to strengthen their free institutions and to promote conditions of stability and well-being. In its military aspect, the object of the Pact was, not to make war, but to insure against war by making unmistakably clear to the poten-

tial aggressor the array of force which would be marshalled against him. Mr. St. Laurent proceeded to quote statements made by Mr. Bevin and M. Schuman on the historic significance of United States acceptance of a commitment for joint defence with Europe and the United States recognition that there was neither peace nor security for North America if Europe were in danger. Having spoken up to this point in English, the Prime Minister closed by explaining in French, in a passage directed to Quebec, that the Pact was one for the defence of Christian civilisation against Communism; the attacks made on the Pact by the Canadian Communists were a sufficient indication that it was in the interest of true Canadians to give it their approval. Although Canada would undertake to regard an aggression against another signatory as an aggression against herself, she preserved, under the terms of the Pact, the right to decide in the Parliament of Canada the nature and extent of the aid which she would render.

3. The Prime Minister was followed by Mr. Drew, the Leader of the Progressive-Conservative Opposition, who pledged the whole-hearted support of his party for Canadian participation in the Pact. Mr. Drew in his turn made the point that the Pact was intended to put into effect, within a limited area and under the terms of the United Nations Charter, those principles which the Charter declared to be in effect throughout the whole world. He then drew attention to the precise nature of the threat which the North Atlantic nations were prepared to meet; the largest land forces in the world were marshalled along a line which was some 20 miles from Hamburg, 135 miles from France and only a short march from the English Channel and the Atlantic seaboard. Mr. Drew recalled that the North Atlantic Pact followed very closely the proposals made at Fulton three years ago by Mr. Churchill, the wisdom of whose judgment had once again been proved by events. Finally, Mr. Drew touched on the strategic

(1) Not printed.

importance of "the territories south of the mountain barrier of the Pyrenees" and on the need to suppress the potential Fifth Column in Canada. He called on the Parliament of Canada to approve the Pact "with one clear and ringing voice."

4. Mr. Coldwell and Mr. Low, the leaders of the C.C.F. and Social Credit Parties in the House, then gave approval to the Pact in the name of their parties. Mr. Coldwell laid much stress on the provision in the draft Pact for economic co-operation and expressed the hope that rearmament would not be pushed so far as to endanger the economic recovery of Western Europe. Mr. Low, in a rambling speech, urged that the aims of world Communism could only be frustrated by ridding the Western world of the evils of recurring depressions, materialism, and the abuse of private enterprise. Three French-Canadian members of differing political views then gave their support to the Pact, though one of them complained that, although the intending signatories claimed to be champions of Christendom, they had, unlike their predecessors of the 19th Century, not seen fit in such an important treaty to invoke the protection of the Almighty.

5. Mr. Pearson, the Secretary of State for External Affairs, summed up the debate as "an inspiring example of Parliamentary unity and a reflection of national unity in a fundamental question of international policy." Mr. Pearson again recapitulated the process by which the Soviet Union had ruthlessly consolidated Eastern Europe under its domination. He then directed the attention of the House to the various articles of the treaty, pausing on Article 2 (co-ordination of economic policies) to indicate that this article was of particular interest to Canada. Referring to the commitment in Article 5 that each member would, in the event of an armed attack on any other member, take "such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area," he explained that this commitment was no greater than that which Canada had already accepted in the United Nations Charter. He gave a promise on behalf of the present administration that, in the event of an emergency so grave as to call into force this Article of the Pact, the Government would immediately desire to consult Parliament. He concluded with the assurance that the Pact did not mean that the parties to it would constitute themselves

into an isolated group within the North Atlantic region. "Because we shall have increased the measure of our own security, we shall not cease to be concerned about the welfare of like-minded and peace-loving states in other areas. Our Commonwealth of Nations will be no less durable if two of its members sign this treaty. We shall continue to be aware that the various regions of the world are interdependent in security matters. We hope that elsewhere in the world peace may be strengthened by agreements similar to the North Atlantic alliance or by associations such as the British Commonwealth of Nations."

6. At the close of the debate the two Quebec members of the extreme nationalist "*Bloc Populaire*" party, who had not spoken, forced a division, but were alone in opposing Canadian participation in the Pact. (The vote for the resolution would have been much larger but for the fact that a number of members were absent under the impression that the debate was to be continued on the following day.)

7. The debate in the Senate on 30th and 31st March followed a similar but shorter course and concluded with the unanimous adoption of the Resolution.

8. The almost complete absence of criticism in the Commons gratified the supporters of the Government. Mr. Drew had previously been attacked by the Government for withholding as long as possible a pronouncement on his Party's views on the Pact in order not to antagonise isolationist votes in a Quebec by-election; in view of the acrimonious nature of the exchanges which had recently taken place between the two front benches, it was widely expected that he would, whilst giving general approbation to the Pact, take some opportunity of criticising in detail the Government's handling of the matter. He resisted this temptation to such effect that at the end of Mr. Drew's speech Mr. St. Laurent crossed the floor of the House to shake hands amid loud and general cheers. Some opposition might also have been expected on "fellow-travelling" lines from the left wing of the C.C.F. Party; at the recent Provincial Convention of the Party in Saskatchewan several speakers had opposed the Pact. Mr. Coldwell was, however, able to persuade his colleagues on the extreme Left to refrain from speaking or voting against the Pact. The opposition from the isolationists in Quebec was much less than might have been expected; the issue of Christianity *versus* Communism is perhaps the only one

which could reconcile the Province to the acceptance by Canada of the commitments in the Pact.

9. The extreme nationalist and republican organ *Le Devoir* has been alone in endorsing the stand taken by the two *Bloc Populaire* members and in objecting on isolationist grounds to the taking of any step which might make it impossible for Canada to remain neutral in a future war. The remainder of the press, apart from the Communist paper, has unanimously endorsed the Pact, which has also received general acceptance among the public as a whole. Communist demonstrations of protest have occurred in Toronto and Montreal but have been quite insignificant and have scarcely been reported outside the local papers in those cities.

10. On 31st March the Soviet *Chargé d'Affaires* delivered to the Department of External Affairs a note, which is understood to be similar in content to those

delivered to the other signatories, protesting against the conclusion of the Pact. The Secretary of State for External Affairs, in a firm and terse reply on 1st April, said that the Pact was fully in accordance with the principles and the Charter of the United Nations and was not directed against any country which does not plan aggression.

11. On 4th April Mr. Pearson and Mr. Hume Wrong, His Majesty's Canadian Ambassador at Washington, signed the Pact on behalf of Canada. The ceremony was broadcast throughout Canada and was the occasion of further welcoming editorials in the press. The Pact is to be submitted to Parliament again before ratification by Canada.

12. I am sending a copy of this despatch and the enclosures to His Majesty's United Kingdom Ambassador at Washington.

I have, &c.

P. A. CLUTTERBUCK.

C.R.O. ref.: C 2530/29

No. 5

F.O. ref.: W 3169/1/68

REPUBLICANISM IN CANADA

Sir A. Clutterbuck to Mr. Noel-Baker. (Received in Commonwealth Relations Office 9th May)

(No. 147.)

Ottawa,

Sir,

4th May, 1949.

Republicanism is not a serious force in Canada, but it may be of interest at this time to review such trends of republican thought as are known to exist here.

2. Historically, various factors tending to promote loyalty to the Crown have always been at work in those sections of the Canadian population where republicanism might otherwise have taken root. Many Canadians of Anglo-Saxon descent and Radical feeling have in the past shared the dislike of their counterparts south of the Border for the surviving institutions of a monarchical society in the United Kingdom. Since the days of the United Empire Loyalists, however, this prejudice has never extended to the Crown. For several generations after the revolt of the New England Colonies, the *raison d'être* of Canada, in the eyes of its Anglo-Saxon inhabitants, was the maintenance of the loyalty to the Crown which the American

Colonists had rejected. It might have been expected that among the French-speaking inhabitants of Quebec, a population of non-British descent originally owing their status as subjects of His Majesty to the fact of conquest by British arms, national feeling would have taken a republican form. The fact is, however, that the French-Canadian was a monarchist by tradition and that, with the disappearance of the monarchy in France, he was left with no possible focus for his loyalty other than the British Crown. He is devoutly religious and tends to associate the word "republic" with the tenets of the French Revolution and the secularist emphasis of the Third Republic in France. Furthermore, since the passage of the British North America Act, the French-Canadian has tended to look upon the Crown as the guardian of the rights of the Provinces against Ottawa and of the French-speaking and Roman Catholic minority against their Anglo-Saxon fellow citizens. Somewhat

paradoxically, therefore, the Roman Catholics of Quebec have traditionally regarded the King as their defender, in case of need, against the Orangemen of Ontario, to whom the Crown symbolises everything that is most British and most Protestant. The visit of Their Majesties in 1939 at once demonstrated the depth of loyal feeling which existed in Quebec, as in the other Provinces of Canada, and served very greatly to foster it. There is nevertheless a movement in favour of a republic in certain quarters of Quebec, mainly French-Canadian, but reinforced by elements of Irish origin.

3. In the field of Federal politics there have recently been three manifestations of republican sentiment on the part of extreme French-Canadian nationalists. In December, 1948, a Mr. Desy stood as "Autonomist Republican" candidate in a federal by-election in the Quebec constituency of Laval-Two Mountains against a candidate of the Liberal Party; the Liberal was elected by some 6,000 votes to some 3,000 for the Republican. In March, Mr. Wilfred LaCroix, "Independent Liberal" member for a Quebec constituency, put on the Order Paper of the House of Commons a resolution to the effect that the Govern-

"should seek the co-operation of the Provinces with a view to the adoption by Parliament of a new constitution for Canada . . . resulting in the making of Canada a truly sovereign and separate nation, a separate republic outside of the British Commonwealth of Nations, free of economic or other commitments, whether in peace or in war."

A few days later, the wording of the motion, as it appeared on the Order Paper, was changed to refer to the "consent" instead of the "co-operation" of the Provinces, and what was more significant, to describe the aim as

"a truly sovereign and independent nation, a separate republic, free of economic or other commitments toward the British Commonwealth of Nations, whether in peace or war."

i.e. the revised wording did not provide in so many words that Canada should be outside the Commonwealth, but only that she should be free of commitments to it. The Progressive-Conservative Opposition drew the Speaker's attention to the change, which he said had not been made with his

knowledge. After taking time for consideration, the Speaker ordered the removal of the motion from the Order Paper on the ground that it was in conflict with the Oath of Allegiance taken by Members of Parliament. Mr. LaCroix then put down a revised motion to the effect that a humble address should be presented to His Majesty, renewing the expressions of the unswerving loyalty and devotion of the Commons of Canada to His Majesty's person, and praying that he might be pleased to cause to be laid before the Parliament of the United Kingdom a measure to authorise the Parliament of Canada, subject to the consent of the Provinces, to adopt a new constitution for Canada which would result in making Canada a sovereign and independent republic. This ingenious alternative was allowed to remain on the Order Paper but was not reached for debate. On 28th April, Mr. Maxime Raymond, one of the two *Bloc Populaire* members who had alone cast their votes against Canadian participation in the North Atlantic Pact, concluded a speech in the House, denouncing the Pact, with a peroration to the effect that Canadian policy was inspired by London and that he hoped the day would come when, following the example of Ireland and India, Canada would declare her full independence by proclaiming herself a republic.

4. The only newspaper which consistently takes a republican line, and which supported both Mr. Desy and Mr. LaCroix, is the extreme nationalist *Le Devoir*. This organ is often regarded as a mouthpiece of the Roman Catholic hierarchy in Quebec, but, although several priests are on the governing body of *L'Action Nationale*, an organisation of Quebec nationalists with which *Le Devoir* is associated, there is no reason to believe that the hierarchy countenances its republicanism. *L'Action Catholique* the official organ of the Roman Catholic Church in Quebec, displays no republican sympathies.

5. The school of thought represented by *Le Devoir* admit that they have no theoretical preference for a republican over a monarchical form of government; their object is to cut Canada loose from the Commonwealth, and they see the proclamation of a Canadian Republic as the only method of achieving that end. The dream of a "Laurentian Republic," embracing Quebec and the French populations of the Atlantic seaboard, both in the Maritime Provinces and in New England, and living

in delightful isolation from the rest of the world, has still some appeal for a limited section of French-Canadian opinion. *Le Devoir* sees in the adoption by India of a Republican constitution, an additional argument for Canada doing likewise, and argues that, although the monarchy is of great service to the United Kingdom, it has no rôle to play in other countries of the Commonwealth.

6. French-Canadian newspapers of other persuasions, however, to say nothing of the English-language press, have ridiculed the recent republican manifestations. The Liberal organ *Le Soleil*, which, alone of the non-isolationist press, occasionally shows signs of a preference for a republican form of constitution and the eventual emergence, at some unspecified date in the future, of a united Canadian republic, avers that such republicans as Mr. Desy and his supporters draw their doctrinal inspiration from the "arch-monarchist Charles Maurras" and that their policy is only a re-hashed version of the "isolationism, separatism and obscurantism" which, it says, have always been a feature of Quebec politics.

7. In general it may be said that, except for a fringe of extreme nationalists in Quebec, Canadians not only desire the retention of the Crown as the symbol of Commonwealth association, but are also

deeply attached both to the Royal Family, and to the King as the Head of the Canadian State. Most French-Canadian households—and this applies especially to the poorer ones in the country districts near Ottawa—keep pinned on the wall at least one picture of the King and Queen or Princess Elizabeth. It is unlikely that the adoption of a republican constitution by India alone, or even by all Asiatic members of the Commonwealth, would give great impetus to the republican fringe in Canada. But it will certainly strengthen them to some slight degree, and, if the same step were to be taken by the Union of South Africa, it is possible that a movement might develop in Quebec for following suit in Canada, on the ground that what befits one biracial country is equally right for Canada, and that Canada should not lag behind in the march towards greater independence.

8. I am sending a copy of this despatch to the United Kingdom High Commissioners at other Commonwealth posts, the United Kingdom Representative at Dublin, and His Majesty's United Kingdom Ambassador in Washington.

I have, &c.

P. A. CLUTTERBUCK,
High Commissioner.

C.R.O. ref.: F 2075/38

No. 6

F.O. ref.: W 2901/1/68

CANADIAN RATIFICATION OF THE NORTH ATLANTIC TREATY

Mr. Boyd Shannon to Mr. Noel-Baker. (Received in Commonwealth Relations Office 14th May)

(No. 152)

Ottawa,

Sir,

9th May, 1949.

As I had the honour to report in my telegram No. 533 of 30th April, the signature of the North Atlantic Pact on behalf of Canada was approved unanimously in the Senate on 28th April and in the House of Commons on the following day. Canada's Instrument of Ratification was executed by the Prime Minister on 30th April, and was deposited with the United States Government on 3rd May. The official announcement on the subject stated that Canada was the first of the signatories to ratify the Treaty, and much pride has been taken in this achievement in the Press.

2. The debates on ratification were necessarily to some extent a repetition of the proceedings at the end of March, when the Pact was first tabled, which were reported in my despatch No. 120 of 6th April. At the outset, the Prime Minister moved the approval of the Pact in a short speech in which he emphasised that, during his recent Western tour, he had been able to observe that Canadian participation in the Pact was virtually unanimously approved in the country, as it had also been in Parliament. Mr. Drew, the Leader of the Progressive-Conservative Opposition, then reaffirmed his Party's support of the Pact, stressed that it was essential that the

nations adhering to the Pact should conduct their trade with the Soviet Union in such a way as to avoid strengthening Russian war potential, and concluded by proclaiming that the announcement of the continued membership of India in the Commonwealth signified that three great nations in Asia stood committed to the principles of freedom which were the basis of the North Atlantic Pact.

3. The speech of Mr. Coldwell, the Leader of the C.C.F. Party, was awaited with some interest owing to the fact that, since the Pact had been debated in Parliament for the first time, a vote taken at a Provincial Convention of the C.C.F. Party in British Columbia had, by a narrow majority, been adverse to the Pact. Mr. Coldwell repeated a statement which he had made, at the time of the British Columbia convention, that the Party's policy, which had been democratically decided at the National Convention last autumn, was to support the Pact, which remained the keystone of the C.C.F. approach to foreign affairs, notwithstanding anything that might transpire in British Columbia. Referring to Press speculation to the effect that, when the Pact first came before the House, several members of his Party had deliberately abstained from voting, he reminded the House that on that occasion the C.C.F. Party had voted in greater proportionate strength than the other parties in the House. A C.C.F. member from British Columbia later affirmed his support of the Pact but lessened the effect of this demonstration of Party solidarity by proceeding, presumably as a gesture to his local Party organisation, to attack the Government of Portugal, to

condemn the policy of the Western Powers in Russia after the Bolshevik revolution and to aver that "the road to international peace lies not only in a change of heart on the part of the Russians but in a change of heart on the part of our representatives."

4. Mr. Solon Low, the Leader of the Social Credit Party in the House, made a brief speech supporting the Pact but regretting that the resolution before the House did not include an expression of the need for divine guidance in the present world situation.

5. On the day before the debate in the House of Commons, Mr. Raymond, one of the two "*Bloc Populaire*" members who had previously voted against the Pact, but who had not been called during the earlier debate, found an opportunity to speak at length against the Pact and to accuse the United Kingdom Government of having increased by their trade policy the war potential of Russia and her satellites. He concluded by asserting that Canadian policy was inspired by London and that he hoped the day would come when, following the example of Ireland and India, Canada would declare her full independence by proclaiming herself a republic. Neither he nor his "*Bloc Populaire*" colleague were, however, present in the House to take part in the division on the issue of ratification, which accordingly resulted in a unanimous vote.

6. I am sending a copy of this despatch to His Majesty's United Kingdom Ambassador in Washington.

I have, &c.

G. E. BOYD SHANNON,
Acting High Commissioner.

CHAPTER III.—THE IRISH REPUBLIC (EIRE)

C.R.O. ref.: X 2630/8

No. 7

F.O. ref.: W 1535/8/68

THE INTER-PARTY GOVERNMENT IN EIRE

Memorandum by the United Kingdom Representative, Dublin
8th March, 1949

(Received in Commonwealth Relations Office, 9th March)

The Inter-Party Government has now been in office for just over a year and some assessment of its state of health may be made.

2. It will be recalled that the Government was formed by an alliance of all the non-Fianna Fail parties with the support of all the independent members. Its *raison d'être* was simply a common desire to give the country a change from Mr. de Valera and his *Fianna Fail* party, who had been in office continuously for 15 years. The February 1948 general election left *Fianna Fail* still by far the largest single party (with 68 members against *Fine Gael's* 31), but they could be, and were, outvoted if everyone else united in opposition to them.

3. The Inter-Party Government, with a maximum majority of only 11, appeared to be at the mercy of any one of the smaller parties—the *Clann na Poblachta* on the extreme nationalist left with 10 votes, Mr. Everett's National Labour Party (which had formerly supported Mr. de Valera) with 5 votes, Mr. Norton's Labour Party with 14 votes or the Farmers' Party with 7 votes—while the defection of more than two or three of the 12 Independents would leave them dangerously weak. *Fianna Fail*, once they had got over their initial fury at the shock of finding that the respectably conservative *Fine Gael* was quite prepared to lie down with the irresponsible I.R.A. elements of the *Clann* solely for the satisfaction of dishing Mr. de Valera, undoubtedly expected that this Heath Robinson structure would quickly collapse under the stress of its internal contradictions. They have been disappointed; and while the Government has hardly in performance come up to the expectations of many of its supporters, it has certainly shown far greater tenacity than many had foreseen.

4. The main achievement of the Government has in fact consisted simply in remaining in power; and whatever may be

the serious stresses and strains beneath the surface—and it seems inconceivable that these should not exist among so mixed a team—the Government appears now to be more firmly in the saddle than a year ago. Many think that it may well last the three years needed to enable Ministers to qualify for pensions. Possibly the vital factor is that, for various and different reasons, none of the Governmental parties nor any of the Independents could for the present welcome a plunge into the icy waters of a general election.

5. The record of the Government's first year in office shows a distinct break around August and September. Up to the adjournment of the *Dáil* at the beginning of August the Government was self-confessedly finding its feet. But their intentions were good. Ministers had repeatedly stressed that they saw their task as that of dealing in a practical way with practical problems; they had put in the forefront of their aims the need for honest and efficient administration and for getting away from that preoccupation with constitutional niceties which had so marked the *Fianna Fail* administration; and in completing a new trade agreement with the United Kingdom they had evoked a new friendly atmosphere in relations between the two countries which, if nurtured, gave promise of great good. It was true that, despite brave words, they had made no progress towards redeeming their principal election pledge—a reduction in the cost of living; but the expectation was that Ministers would return from their vacations with this as their primary object and ready to grapple with practical problems in a realistic spirit. There was a curiously exhilarating atmosphere of hope and relief; the hard-faced veterans of *Fianna Fail*, such seemed to be the general view, had been replaced by new, honest, enthusiastic Ministers led by a Prime Minister who was not shackled by memories of either the

Civil War or extreme partisanship in the constitutional arguments of the Twenties and Thirties. Of course there was bound to be disillusionment; but the sudden change which in fact took place could not have been foreseen.

6. It is unnecessary to speculate whether the repeal of the External Relations Act (and in particular the *way* in which it was handled) was a cause or a symptom of the change; no doubt it was something of both. The abrupt, amateurish and ill-prepared way in which the Government, more particularly the *Taoiseach*, announced and carried through the repeal was an immediate set-back to the growth of better relations with the United Kingdom, while the unforeseen, and indeed uncalled-for, change of front has had an effect on the supporters of the *Fine Gael* party the results of which are incalculable. The way in which the move was carried out showed a cynical disregard for anything except immediate political advantage; and the effects of the move go deeper than its immediate consequences. There has been a general weakening of moral tone and of a sense of responsibility in political affairs. The disingenuous oratory of *Fine Gael* members in support of the Repeal Bill can only be described politely as ballyhoo—"the nauseating spectacle of so many otherwise decent men tumbling over one another in their haste to climb on to the Republican band-wagon"; and the debates on the Bill, which was introduced as a measure commanding unanimous support as the final mark of the nation's coming of age and was passed without a division, dragged on for five days in the Dail and three days in the Senate mainly in order, so it seemed, that members on both sides might have full opportunity for a display of their personal animosities.

7. The repeal of the External Relations Act was a manoeuvre for stealing Mr. de Valera's clothes by out-flanking him on the left. The Government appear to have been so delighted with the idea that they are repeating it on every possible occasion. In the debates on the Repeal Bill in November and December they took a stand on Partition which was designed to show that they were even more determined than *Fianna Fail* to end the "ancient wrong"; the *Taoiseach* personally took the lead in summoning an all-party anti-partition conference in January which led to direct intervention in the Northern Ireland elections by the raising of a fund of £53,000

for the support of nationalist candidates; and Government diplomatic representatives overseas appear to have begun a series of regular hand-outs about Partition which are so tendentious as already to have raised protests in Australia. They have ended up by solemnly committing themselves to isolationism in words which leave no room for doubt or negotiation. In a statement in the Dail on the 23rd February explaining why Eire would not join the Atlantic Pact, the Minister for External Affairs said bluntly—"As long as Partition lasts, any military alliance or commitment involving joint military action with the State responsible for Partition must be quite out of the question."

8. These heady draughts of nationalist champagne have to some extent, but not entirely, succeeded in withdrawing attention from weaknesses in the Government itself. Of at least three of the Ministers the best that can be said is that they are inoffensive. Of the rest Mr. Dillon, while showing drive and vigour and a real ability to earn the support of the farmers, must be something of a liability to any Government so long as in his all too frequent speeches he fails to combine responsibility with brilliance. And Mr. Morrissey, the Minister for Industry and Commerce, appears in the last few weeks to have got himself into serious trouble in his handling of the Milne Report on Transport and his relations with C.I.E., the quasi-State transport monopoly.

9. The biggest test of the Government lies immediately ahead in the Budget. The Inter-Party Government contains members whose parties are pledged to bigger and better expenditure in different fields and there is more than a suspicion that, since the Government is so loose-knit, individual Ministers have been all too ready to go ahead with promises and plans without full consultation with the Minister of Finance. The Minister of Health is a member of the *Clann na Poblachta* and will want to show that Eire is on the way to becoming a welfare State. The Minister for Social Welfare is the leader of the Labour Party and Deputy P.M., and has much at heart plans for making a start with socialism by substituting social services which, in a more limited field, will stand comparison with those in the United Kingdom. The Minister for Finance will be hard put to it to find the money. The Government are committed to making reductions in taxation; and he has already secured such

savings as appear to be possible by the abandonment of expensive schemes like the Irish Transatlantic Air Service. He must at the same time make provision for substantial expenditure to start a long-term programme for the rehabilitation of agriculture, which the Government rightly regard, with a clearheadedness that is in encouraging contrast to the viewpoint of their *Fianna Fail* predecessors, as Eire's vital industry on which the prosperity of the country as a whole depends and must continue to depend. If the Government can get over this budgetary hurdle, they would seem to be safe for another year.

10. In the longer term the most interesting field of political speculation is the future of the *Fine Gael* Party and of Mr. MacBride. *Fine Gael* is a party without a leader or a policy. Mr. MacBride is a leader with a policy but no party. It is difficult to see what future there can be for *Fine Gael* party, which, on any major issue, appears now to find itself impelled to move smartly to the left of *Fianna Fail*, and which in doing so has shown no scruples about affronting some of the deepest convictions of large sections of its supporters. The leader of the party, General Mulcahy, the Minister of Education, is not a dynamic figure, while the Prime Minister, Mr. Costello, whose incalculable petulance is

an obvious weakness, seems hardly likely to emerge from office with an enhanced reputation. In their manoeuvres aimed at dishing Mr. de Valera, the *Fine Gael* party have certainly succeeded in dishing Mr. MacBride's party, the *Clann na Poblachta*. For if *Fine Gael* have moved to the left of *Fianna Fail*, there can be no room for the *Clann* (whose 10 seats at the election were won by the votes of those who felt that *Fianna Fail* had grown stodgy) unless they relapse still further into sheerly irresponsible demagoguery. This can hardly be Mr. MacBride's wish. He alone of the Ministers has built up his personal reputation, and he is rapidly emerging as the most important and significant figure in the Government. He is ambitious, exceptionally capable, adroit and politically astute. Yet, if the one by-election which has been held in the last twelve months showed anything, it showed that the special circumstances which had given his party their chance in February, 1948, no longer exist and that the party faces annihilation. A future Prime Minister must have supporters and it will be interesting to see where he will seek them. Certainly he cannot look to *Fianna Fail*, for they hate him with a personal hatred.

Dublin, 8th March, 1949.

C.R.O. ref.: X 2638/76

No. 8

F.O. ref.: W 3150/8/68

INAUGURATION OF THE REPUBLIC OF IRELAND

Sir G. Laithwaite to Mr. Noel-Baker. (Received in Commonwealth Relations Office 18th May)

(No. 7. Confidential)

Dublin,

Sir,

16th May, 1949.

I have the honour to report on the events of Easter Monday, the 18th April, on which day the Republic of Ireland Act was brought into operation.

2. Elaborate ceremonies had been organised by the Government and their supporters throughout the country. In Dublin they began just after midnight of the 17th-18th April with the firing of salutes of 21 guns on O'Connell Bridge and at Dùn Laoghaire. At 10 a.m. the ceremonies of the day opened with a Solemn High Mass at the Roman Catholic Pro-

Cathedral and a special service at the Church of Ireland Cathedral. The Mass was attended by the President, members of the Government, the Diplomatic Corps, Mr. Cosgrave, Mr. de Valera, Mr. Aiken and other high dignitaries. With the exception of Mr. de Valera and Mr. Aiken, who returned home, those present proceeded from the Pro-Cathedral to a stand outside the General Post Office, where the national flag was hoisted with military honours in memory of the symbolic first hoisting of the flag of the Republic on the same building in 1916, and the President took the salute at a military march-past.

In the afternoon the President received the Diplomatic Corps at *Arus an Uachtarain*, formerly the Viceregal Lodge in the Phoenix Park; a short address of good wishes on behalf of the Corps as a whole was read by the Italian Minister as Doyen, and the President replied in suitable terms. In the evening the President attended a *ceilidhe* (Gaelic dance) in Dublin Castle, while a fireworks display in Phoenix Park left the centre of the City curiously quiet and deserted for a bank holiday. In the course of the evening short messages were broadcast by *Radio Eireann* from the President, the *Taoiseach*, Mr. MacBride (whose message was recorded before his departure to the United States at the beginning of April), Mr. Connolly (Labour Member of the *Dáil*) and Mr. Hanna (Independent Labour Member of the Northern Ireland Parliament). I was present at the morning ceremonies, the President's reception and (with two or three members of the Diplomatic Corps and several Ministers) the *ceilidhe* in Dublin Castle in the evening.

3. The weather could not have been kinder for the newly-named Republic. The gun-salutes took place under a clear and calm night-sky and drew considerable crowds who were clearly enjoying themselves greatly. The day was one of brilliant and warm sunshine. At the march-past the crowd, though substantial, was neither so large nor so enthusiastic as might have been expected on an occasion of such historic significance. It left the impression of having come primarily in holiday mood; there was little applause, and a certain apathy was much remarked on by members of the Diplomatic Corps. Nor was there any great display of flags and decorations either on public buildings or on private houses in the city and its suburbs. The military parade itself was smart and well turned out and the uniforms worn by some of the members of the Diplomatic Corps added a touch of colour.

4. Throughout the week-end messages of good-will had been coming in from the great majority of the countries outside the Iron Curtain. The President received messages from His Majesty The King, The Pope, President Truman and many other Heads of States, and messages to the Government were received by the *Taoiseach* from, *inter alia*, the Prime Ministers of Canada, Australia, New Zealand, South Africa and India. The message from His

Majesty, conveying His "sincere good wishes," made a striking impression. So generous a gesture had clearly been entirely unexpected in this country; it was most warmly received and very deeply and widely appreciated. In the course of my meetings with them at the ceremonies on Easter Monday both the President and the *Taoiseach* were at pains to express to me their appreciation. The President said that he would like to tell me how greatly he had been touched by the message and how grateful he was for it and for the kind terms in which it had been expressed. Mr. Costello took me aside for some twenty minutes at the President's reception, a fact that attracted a good deal of attention among the diplomats. At the High Mass, Mr. Cosgrave, the *ex-Taoiseach*, told me how deeply touched he had been by His Majesty's gesture. It has since become clear that these feelings are echoed outside Government circles and that the message has been of particular value from the point of view of the Protestant minority in this country. The President's reply to the message was markedly warm and he has since gone out of his way again to make appreciative public reference to it. I enclose copies of His Majesty's message and of the President's reply.⁽¹⁾

5. The messages received from Mr. Attlee and other Commonwealth Prime Ministers were prominently reported in the press and favourably commented on. In his short broadcast on the Monday evening the *Taoiseach* said: "We have cut ourselves apart, but not adrift, from the great nations of the Commonwealth. We hope, however, for a closer and more harmonious association, based on community of interests and common ideals, than could ever have existed from formal ties." The other messages of goodwill were on conventional lines and call for no special comment, save that the message from President Truman and Mr. O'Kelly's reply were somewhat dry and formal. For purposes of record, I enclose copies of the messages from President Truman, Mr. Attlee and the other Commonwealth Prime Ministers and the replies sent thereto.⁽¹⁾

6. The celebrations had, of course, been deliberately arranged to take place on the anniversary of the Rising on Easter Monday, 1916. It was natural that thoughts should turn back to that historic day and that the Republic of Ireland Act should be hailed as the consummation of the struggle for which those in 1916 had fought

⁽¹⁾ Not printed.

and died. But the memories were those of a nation's advance to independence rather than of hostility and enmity to the United Kingdom. It was inevitable equally that the problem of Partition should not have been forgotten. The Government could not, even had they wished to, avoid making appropriate anti-Partition gestures, if only to forestall Opposition criticism that the celebration of "their" Republic merely diverted attention from the one pre-eminent national task. A large map of Ireland spot-lighting the border was hung on the Post Office over the President's tribune. The President, the *Toaiseach* and other members of the Government, in speeches made in connexion with the celebrations, emphasised that the unification of Ireland remained the foremost and urgent objective of national endeavour and the last step required to complete the progress of Ireland to full independence. But, save for one less happily phrased reference, their remarks were couched in reasonable terms. "While we celebrate with due ceremony to-day our Republic," said the President in his broadcast, "it is our solemn duty to remember that our task is not yet completed. Every day we must keep well before our minds that it still remains for us to complete our historic national aim by greeting the entry of our fellow-countrymen of the Six North-Eastern Counties, in peace and amity, into the Republic." It was symptomatic of the restrained attitude of the Government that they should have had the courage to risk a quarrel with the Nationalists in Northern Ireland rather than allow the occasion to be used for intemperate anti-Partition propaganda. Mr. James MacSparran, Chairman of the Anti-Partition League and a Member of the Northern Ireland Parliament, had been announced as one of the broadcast speakers, but later withdrew. The story, as told in the *Irish Press*, was that Mr. MacSparran had accepted the invitation as providing an opportunity of reiterating the condition of the people in Northern Ireland under the Tory régime; that he had had "suggestions" from the Eire Government on the theme and tone of his speech, which indicated "that the occasion was to be one for rejoicing and that criticism of the Six County régime was not desired"; and that he had accordingly withdrawn his acceptance of the invitation.

7. No effort was spared by the Government, *Radio Eireann* and the pro-Government press to make the most of the occasion.

The Republic, proclaimed in 1798, in 1916 and again in 1918, had at last come into being. Centuries of struggle for independence had ended in triumph. The new State was receiving the acclaim and the recognition of the world. It was to be expected that deep emotions should be stirred and profound satisfaction be experienced in many quarters at the successful attainment of the object of so much effort. But, despite the dramatic head-lines of the newspapers and the vibrant tones of the commentators on the radio, the public celebrations left a little the impression of an anti-climax; and the good-tempered and orderly crowds at the various ceremonies did not appear to show the degree of spontaneous national enthusiasm that might have been expected on such an occasion.

8. For this a variety of explanations may be offered. The change in the constitutional position was in the first place one which involved no struggle and which was the logical and orderly culmination of a long process. Important elements maintain that Southern Ireland had, in fact, been wholly independent since the passing of the External Relations Act, and her neutrality during the War had emphasised her freedom of action at a time of critical importance to the Commonwealth as well as to the world. The revocation of the External Relations Act did little more than regularise an already existing position. And the formal and public severing of the slender links that still united Southern Ireland with the Commonwealth was mitigated by the agreement of the Governments of the United Kingdom and of the new Republic that neither should in the future regard the citizens of the other as foreign.

9. Internal political difficulties afford an explanation even more convincing of the absence of greater public enthusiasm than was shown on Easter Monday. *Fianna Fail*, still by far the largest of the political parties, boycotted the ceremonies throughout the country. They justified their attitude by the argument that the State in fact, if not in name, had been a Republic ever since "their" constitution of 1937, and that until the ideals of 1916 had been fully realised by the absorption of the Six Counties in the Irish State there could be nothing new to celebrate. In many of the country districts the refusal of *Fianna Fail* to co-operate deprived the local celebrations of their substance and of their meaning. In the capital, where the brilliance of the

sun would have set off to the full gaily-decorated streets, the *Fianna Fail* majority on the City Council had declined to agree to public decorations. Mr. de Valera, by deliberately absenting himself from the secular ceremonies, and returning home immediately on the conclusion of the High Mass, established by his very absence his right to be regarded as still the foremost national figure. That absence could neither be ignored nor glossed over, and it is clear that there was a widespread feeling that no major national celebration could be truly representative in the absence of that dominating personality, who in the last thirty years has done so much to shape the course of Irish history.

10. Finally it is difficult to think that at the present stage of world history there are not many Irishmen who, whatever their political convictions, view with some misgivings the isolated position in which the new Republic finds itself. It is not a member of the United Nations. It has stood aside from the Atlantic Pact and from Western Union. And it will in future no longer be a member of the Commonwealth of Nations. Those are considerations that may well have had some restraining influence on the enthusiasm of many.

11. The doubts and the internal divisions to which I have referred were shadows on the general picture of national rejoicing. But whatever the individual citizen may have thought, whatever differences of view there may have been, the occasion was beyond question one of great historic significance and importance and the severing of the centuries-old link with the Crown, the Republic of Ireland's departure from the Commonwealth, are steps which are widely felt in this country to be of deep consequence for the nation and its future. It is of particular value that in such circumstances the new State and its people should enter on the fresh chapter of their history that is now opening with the public assurance that they do so, whatever may have taken place, without recrimination or ill-will, and with the friendly and sincere good wishes of His Majesty The King and of the people of the United Kingdom and the Commonwealth.

12. I am sending copies of this despatch to the High Commissioners in Commonwealth countries.

I have, &c.

GILBERT LAITHWAITE,
*United Kingdom Representative
to the Republic of Ireland.*

C.R.O. ref.: X 2631/60

No. 9

F.O. ref.: W 3005/8/68

IRISH REPUBLIC: RECENT DEVELOPMENTS IN THE ANTI-PARTITION CAMPAIGN

Sir G. Laithwaite to Mr. Noel-Baker. (Received in Commonwealth Relations Office, 21st May)

Dublin,

Dear Secretary of State, 19th May, 1949.

The Partition agitation has developed considerably in the last few days and I think you may care to have my own analysis of the position.

2. Inevitably Partition has always been a source of political grievance, and there has been always a strong and real desire in Southern Irish hearts to see it ended. But I do not believe that, until the introduction of the Ireland Bill in the House of Commons, there was any effectively active feeling in this country about it. Mr. de Valera had during his 16 years of Office registered periodical protests against it. Its use by the Costello Government as a

reason for Eire's remaining outside the Atlantic Pact had carried little conviction in the country. I am doubtful, despite the assertions of the Government spokesmen to the contrary, whether there is even now any strong current of active feeling about it. But the agitation which has been started consequent on the introduction of the Ireland Bill, and which has been deliberately fomented by the anti-Partition Committee, on which Mr. Costello and Members of his Government and Mr. de Valera all sit, is beginning to have a slight effect. And if it is kept up the public may well come to believe that there is real justification for it, and the emotions of the younger, less stable, and more Left-wing elements may

be worked on in a way that will lead to some incident, in itself of relatively small importance, but the consequences of which might be great.

3. His Majesty's Government have done their best to help the Irish Government to keep things quiet if they so wished. The reply to the Irish Note of 7th May was conciliatory. The Debate on the introduction of the Ireland Bill was restrained and friendly. But the response from the Irish governmental side was disappointing. Mr. Costello's speeches in the Dail (immediately after receipt of the reply to the Irish Note), and at the protest meeting on 13th May, were intemperate in tone, and designed to work up feeling through the country. They ignored the case on the United Kingdom and Northern Ireland side. On both occasions His Majesty's Government were subjected to much criticism, and while Mr. Costello's speeches have referred to the need for restraint, they have done so in terms calculated rather to familiarise their readers with the idea of reprisals than to dissuade them from action. Mr. de Valera's utterances have shown greater dignity and balance than those of the *Taoiseach*. Mr. MacBride, Mr. Norton and Mr. Dillon have been relatively moderate. In no case has there been any effort to deal with the case on merits. That is perhaps understandable since all parties have their eye on the internal political battle and the next elections. But great risks have been taken, and much damage done to those good relations between United Kingdom and Ireland which were so promising.

4. As regards the tone of Mr. Costello's speeches, he had, I understand, a considerable practice at the Bar and particularly in jury cases. I am told that his technique in the speeches that he has made is completely reminiscent of his behaviour in Court. His petulance, his refusal to see the arguments for the other side, his readiness to appeal to prejudice, his disposition to labour a weak point, his anxiety to play on the feelings of his audience, are all, it is said, part of his normal Court manner. But, in Court, when his duty to his client has been satisfied and the brief disposed of, that is the end of the business. If the explanation which I have just given is correct Mr. Costello fails to recognise the difference between the tactics and the phrases that can properly be adopted by an advocate anxious to move the feelings of a jury, and those appropriate to a Prime

Minister with a sense of responsibility handling before a public audience a great political issue. I feel no doubt that he and his colleagues realise the value to the Irish Republic of good relations with the United Kingdom and the Commonwealth. In personal discussion of political issues he is reasonable, fair-minded, and ready to take a point in a friendly and understanding manner. It is the more to be regretted that on the platform his attitude should be so different.

5. As I write the Government have aligned themselves on the Partition issue with Mr. de Valera. They have committed themselves to an uncompromising attitude; they have done much, by their speeches and their endeavour to raise feeling in the press and in the country, to spoil the good atmosphere that was developing between Ireland and the United Kingdom; if the agitation persists after the Bill passes into law, they risk not only making the North still more intractable, but stimulating incidents on the border, or against individuals in the South.

6. To what is the attitude of the Irish Government and its apparent disregard of consequences to be attributed?

7. The short answer appears to be that the Government are not confident that on any major political issue such as the repeal of the External Relations Act or Partition they can hold their own if Mr. de Valera starts a campaign. They have, therefore, tried to protect themselves by taking the initiative. Over the External Relations Act they did so at the cost of a breach of their election pledges—a breach which has been ill seen by a considerable number of their supporters, and which has tarnished Mr. Costello's reputation for political integrity. From their proposal to repeal the External Relations Act—a step which Mr. de Valera when in power had not taken, and which from the Opposition benches he had not advocated—there flowed immediately the Northern demand for a guarantee. But for the uncertainty as to the future resulting from the proposed repeal of the Act, linked as it was in Dublin with declarations that the ending of Partition was the next step, there could have been no justification for a Northern demand for a guarantee: and had it been put forward it is difficult to believe that it could have been taken seriously.

8. In the course of the debates on the repeal of the External Relations Act the

Government committed themselves to ending Partition as the next step. The months that followed were marked by the setting-up of the All-Party anti-Partition Committee, and the collection of subscriptions designed to influence the elections in the North. At a later stage the failure to end Partition was put forward as the pretext for Ireland's refusal to join the Atlantic Pact. During these months members of the Government repeatedly expressed themselves as confident that the end of Partition was nearer than it had ever been.

9. The Government had thus increasingly committed themselves on the issue of Partition. When the moment came for His Majesty's Government to take legislative notice of the guarantee promised to Northern Ireland by the Prime Minister in October and November 1948 they had therefore no choice but to go at least as far as Mr. de Valera in their protests against the guarantee, and to associate themselves with his attitude in the fullest and most emphatic manner, regardless of the consequences. Any endeavour to take a more reasonable line, to damp down public feeling and agitation, to deal with the issue on merits, or to weigh the considerations of which His Majesty's Government had to take account, would at once expose them to the charge of being bad Irishmen, and worse patriots than the Opposition. The resultant increase of prestige to Mr. de Valera might well have disintegrated Mr. Costello's not too tightly-knit Coalition. The damage to its reputation in terms of the next election would have been most grave. The Government's decision not to join the Atlantic Pact had proved unpopular and hard to defend in a country so Catholic, and it was important for them to urge that it was solely because of Partition. Finally the need to concentrate all energies on settling the Partition issue was and is a useful answer to critics of delays in the implementing of the Government's social services programme, or its inability or failure to pursue other schemes of economic or social improvement. It was, I believe, in these circumstances that they took the line that they have taken.

10. It remains to be seen whether they will even so be able to hold their own against the leader of the Opposition. The All-Party anti-Partition Committee is reported to meet frequently. It may be assumed that whatever emerges from it has

Mr. de Valera's full approval and that he finds himself in effect in a position to set the pace for the Government in the Committee. Mr. de Valera will get his full share, and perhaps more than it, of the credit for any success that the anti-Partition campaign may produce. But if that campaign fails, or has to be abandoned, the Government is likely to get the discredit. In that event we may hear more of the unwisdom of a policy which by repealing the External Relations Act, in sharp contrast to Mr. de Valera's cautious retention of it, precipitated the British guarantee to Ulster, and by leaving the Commonwealth aggravated the difficulty of a friendly understanding with the North. There is already being quoted in Dublin a remark attributed to a Northern Minister about the Costello Government—"First by repealing the Act they gave us the election on a plate. Then they gave us the guarantee. What are they going to give us next?"

11. It is not surprising that in these circumstances the opinion is frequently expressed that Mr. de Valera's long political experience and great astuteness have enabled him without effort to manoeuvre the Government into a position in which in the hope of outbidding him they take the unpopular and embarrassing decisions while he benefits by the false steps into which they have been led.

12. It is difficult at this stage to judge how things will go. Government and Opposition alike are committed to pressing the issue.

13. I am sure that neither wants to see any resort to force, unwise as some of their speeches have been. Nor, on the best advice available, is there reason to think that the extremer elements are yet either planning or equipped for foreign action (the objectionable posters urging people to "Arm to take the North," or "Six Divisions, Six Months, Six Counties" recently put up in Dublin are the work of the small Irish Fascist group and were at once removed by the police).

14. But without loss of credit they cannot let the agitation drop. They are committed by Mr. Costello's speeches and Mr. de Valera's support to doing all they can to injure His Majesty's Government "in their prestige and in their pride and in their pocket" if Partition remains in being. I would anticipate—

(a) continued lobbying for a round-table conference, preferably on the initia-

tive of another member of the Commonwealth ;

- (b) a campaign to mobilise Irish opinion in the United States and the Commonwealth countries by way of bringing pressure to bear on His Majesty's Government.

15. Action on these lines would at any rate satisfy public opinion in this country that something was being done—the man in the street is probably more convinced of the practical difficulties of a friendly and satisfactory settlement than anyone is prepared to admit.

16. But from our point of view it will be of the greatest importance, if a campaign such as I suggest in the United States and other Commonwealth countries is likely to develop, that we should not let our case

go by default. There are obvious objections to becoming entangled in a war of words. But Irish propaganda will be insistent, it will not concern itself too closely with the facts or the merits, and it will have as its electioneering agents a vast number of Irish men and women overseas, many of them traditionally hostile and suspicious of His Majesty's Government and reluctant to accept the good faith of the British people. I have no doubt that consideration is already being given to this aspect of the matter. Material for use in dealing with such a campaign is under preparation here, but if when it is received you wish it amplified in any way, the necessary arrangements will at once be made.

Yours sincerely,

GILBERT LAITHWAITE.

CHAPTER IV.—SOUTH AFRICA

C.R.O. ref.: F 2378/5

No. 10

*F.O. ref.: W 2789/4/68***SOUTH AFRICA: SPEECH BY DR. MALAN ON FOREIGN POLICY**

The following is the text of a speech made by the South African Prime Minister, Dr. D. F. Malan, in the Union Senate on 8th April, 1949:—

“ Mr. President, I am glad to comply with an undertaking which I gave to this House that, before I went to do my work overseas in the course of the next week, I should first make a statement in this House about the position in regard more particularly to the position affecting my Department, and about the international situation. I think it would be best for me first to make a few remarks of a general nature about this matter, and indicate in doing so what really is the basis on which we are building, what are essential principles to us in our foreign policy. I am now referring more particularly about the present Government, and indeed it is about that policy that hon. Senators are more anxious to hear.

The first cardinal point in our foreign affairs is that we regard South Africa as a country which is not isolated, nor can be isolated, from the rest of the world and from the community of nations in general. It has been the custom for a considerable time, both when the members of this party were in opposition and also since then, since the new Government has come into office, to characterise us as a party, and as a Government, which stands for isolation. I think I heard an echo of that as recently as yesterday in the debate here. Now I think I am able to say here, and I can say it with full justification, that that is not the policy of the Government, nor of the party which the Government represents, and that it has indeed never been their policy in the past. It is self-evident that it would be nonsensical to think that a country could remain isolated from all other countries, that it could have nothing to do with what, in general, is going on in the rest of the world. If that had been the case with us, then something would not have taken place through us which was a new start in the political history of South Africa as far as its foreign relations are concerned.

What really happened is this, that the old Nationalist Party Government—the predecessor of the present one—when it came into office, took such a lively interest in our relations, in our friendly relations with foreign countries, that it was the first Government to think of appointing foreign representatives. The fact that there is a diplomatic service to-day is due to the National Party in its first Government, a diplomatic service which has grown since those days and which is as large as it is to-day. I need not remind you of the fact that when it was first instituted there was considerable opposition from our political opponents, who, unfortunately—I hope that is not the attitude that they take up to-day, I accept it that they no longer take up that attitude to-day—but who then took up the attitude that the British Empire should be a closed unit and that the Dominions in particular in the British Empire should not have diplomatic relations with foreign countries other than through the Colonial Office of the British Government. Well, the first assault that broke through those defences which were set up there against the Dominions, including South Africa, to prevent them from having direct contact with foreign countries, the first breach in them came from the National Party and the National Party's Government.

Now we are not in favour of isolation, that is the last thing we want. For a long time we have been less in favour of isolation, or quite against it, in the face of opposition in connection with that which we have experienced in South Africa.

Now a few words about the diplomatic service, seeing that I have mentioned it here. Our diplomatic service has been considerably extended, and, seeing that diplomatic relations are usually based on a principle of reciprocity, the diplomatic representation of other nations of the world have also been extended here in South Africa to a corresponding extent. During the past year, since the present Government has come into office, an important change has been made in so far as

we are no longer satisfied to be represented in foreign countries by Ministers, as has always been the case up to now, but that the time has come for us to be represented by ambassadors. And so I proposed to two countries that, instead of our having Ministers there, and of their having Ministers here in South Africa, there should be representation mutually by way of ambassadors. Of these two countries the one is the United States of America and the other is France. In connection with the United States of America, matters have progressed so favourably that everything was put in order a few weeks ago, and the representative of America here in South Africa now has the rank of an ambassador, and our representative in Washington has also now become an ambassador. As far as France is concerned the matter has hitherto been delayed and it has not yet got to that, but I have no doubt that it will not be long before the same relationship comes into existence between us and France as well.

The importance of that is not a matter which affects only the status of South Africa, but it affects the precedence which our diplomatic representatives enjoy with the Governments of other countries. An ordinary Minister always has to stand back for ambassadors on any occasion and also in regard to access to Government personalities and bodies. The position in the United States of America, for example, has been that hitherto quite a number of small countries—very much smaller and of less significance than South Africa—and even some States here in Africa, have had ambassadors in Washington, whereas South Africa has not had one, and their representatives all took precedence above ours. Now that is one new course on which we have embarked, and we hope later to extend it also more extensively to other countries.

Further, I may say that a change has come about in the status of high commissioners. There has always been the question whether the high commissioners of countries of the Commonwealth should retain the title High Commissioner, or whether some better title could not be found for them. The title High Commissioner still always suggests the idea of subjection, of a position which in fact no longer exists to-day. That question whether high commissioners should be accorded the title of ambassadors is a question which has not yet been decided. It is

a question which is still under consideration by the various members of the Commonwealth, but about one matter they have agreed, and that is that the high commissioners, who have enjoyed a lower status hitherto than the envoys of other countries, not even to mention ambassadors, should be given the status of ambassadors; that even if they do not have the title of ambassadors, they should in any event have the status of ambassadors. Now that has been put through, and it has also been put into effect here in South Africa in recent times.

But let me just say that a great need has been felt for years now that South Africa should be represented by a high commissioner in Australia. We have had a representative in England, we have had a representative in Canada, but up to now there has been no high commissioner for South Africa, and not even a minister for South Africa, in Australia. The relationship was unequal, and Australia has had a high commissioner here in South Africa for quite a long time now, but that gesture of friendship by Australia has hitherto not yet been answered on our part. That has now been done and the High Commissioner who we had in Canada—a man of experience not only here in our country, because he occupied a high position here, but also of experience in the diplomatic field because he has for a considerable time been our High Commissioner in Canada—has been transferred to Australia. Now so much for our diplomatic service, which is the means by which we maintain our relations with the other nations of the world.

Relations with U.N.O.

Now I think it is, perhaps, necessary here, while I am referring to isolation, at the same time to say a few words in regard to the world organisation, the U.N.O., and our relations with that. One of the proofs that neither I nor the Party which I represent, nor the Government which I represent, has ever been in favour of isolation is the fact that we have never, whether as the Government or as the Opposition, been against our being a member of the League of Nations which was in existence. On the contrary, when our National Party was in office before, we supported the League of Nations, we came here to Parliament year after year and asked for the money which was required to support the League of Nations, which was expected from us as a member of it. Just as little

were we against it in principle when the new world organisation, the United Nations Organisation, when that was brought into existence; on the contrary, we supported it in principle. We stated our principles, and even at that time we announced in Parliament on what basis that United Nations Organisation should exist, and I think if hon. Senators would go back to-day and refer to that motion which I myself introduced at that time, just before the San Francisco conference was held, hon. Senators would see whether I or my Party to which I belong and for which I spoke, judged the situation so wrongly.

Whether we judged it so wrongly. The United Nations Organisation is there, but is there anyone here to-day, or is there anyone to-day in a responsible position in the world, who will say that that United Nations Organisation does not have its—shall I call them—its weaknesses, does not have its shortcomings, and serious shortcomings? And what are the shortcomings that are clinging to the United Nations Organisation? The first thing that I should like to say is this, that a mistake was made—for it is recognised to have been a mistake to-day—when the ultimate power, the most important power, was left in the hands of a single nation, to one power if it wished to exercise the right of veto, which was a right accorded to it. That right of veto, the individual right of veto, was given to the five great nations, and what has happened since that time? In spite of warnings—before San Francisco we had already given the warning that that individual right of veto would eventually bring about the paralysing of that organisation so that it would be powerless, that it would not be able to complete the task that rested on its shoulders. What has happened? Russia has used that individual veto right time and time again. The whole organisation is against it on a particular point. The will of the world is expressed in general by the other peoples in the attitude that they take up, and Russia makes use of its individual right of veto, and it puts a stop to it; the organisation can get no further.

A great deal of the trouble that exists in the world to-day, most of the dangers to which the world is exposed, are due to the granting of that individual right of veto, which has been abused. That is one of the weaknesses which affects the U.N.O. to-day. There are other weaknesses which affect it, and one of them is certainly—it

touches South Africa very closely—that the U.N.O. has gone outside its jurisdiction in terms of its own Charter which it drew up, and it is concerning itself, intervening, in the domestic affairs of members of the organisation, more particularly here in South Africa for the past few years, and the complaint which we have, for example, in connection with the Indian question, is this, that the U.N.O. is concerning itself with matters of a domestic nature to South Africa, and that while it is very clearly stated in the Charter of the United Nations that nothing in that Charter must be taken as conferring on that Organisation the right to intervene in the domestic affairs of any of its members. When the matter was under discussion in the Other House before San Francisco, before the Charter, or just after it, when the Charter was placed before us, that was referred to and an assurance was asked for, and an assurance was given us that nothing of that sort could happen, and a great deal of our activities at meetings of U.N.O. now must be directed towards protesting against the fact that matters which are of a domestic nature to South Africa are being brought up there before the Assembly. If U.N.O. continues on that course, then it is simply going to mean its downfall, the more so because South Africa is not the only country to-day which is complaining about that—about intervention in their domestic affairs, or who fear such intervention—there are countries, and among them some of the most important powers, especially those which have colonies which they govern, who fear that intervention to-day, just as we fear it.

Now that is the other weakness which affects U.N.O. But there is another matter. It is not simply a weakness which affects U.N.O., it is a weakness which affected even the old League of Nations, but at the meetings of U.N.O. it is the case to a greater extent, and that is the fact that scarcely anything that comes up there is discussed or decided on its merits. The meetings of U.N.O. have to a great extent, and we are not the only ones who complain about that, become a platform for propaganda, and not merely a platform for propaganda; but to get anything through which you regard as being right, which you regard as being in the interests of your country, you have to go behind the scenes to the representatives of other countries. I do not suggest that only South Africa is doing that now, it is the rule that is followed there by pretty well every country

in connection with virtually all questions, and then you tell the delegation from another country: Look here, you want to get this and that through at the meeting of the United Nations; we shall support you, but then you in turn must support us in this; and so it is a matter of trading behind the scenes, a continual matter of negotiation, a bargaining behind the scenes, and in fact there are few things which are dealt with on their merits. That was a weakness which affected the old League of Nations, and it is a weakness which is now cropping up to a worse extent at the meetings of U.N.O.

And all that I can say is this, that if this is to be taken as an indication of the form which a world parliament should take, then such a world parliament would be a disaster for the world. If our Parliament had to be conducted in that way, if it were an assembly of independent members, none of them under the control of a party or of a caucus, and each of them went round and told the others: if you want to get this for your constituency I shall support you, but then you will have to support me in turn in connection with another matter, then it would become a body in which there would be intrigues from morning to night, and from January to December, and in which nothing was dealt with on its merits. That is unsound administration. That is unfortunately the position in regard to the meetings of U.N.O. Nevertheless I say that U.N.O., if it can be relieved of its shortcomings—and we should like to assist in bringing that about—will be not only a useful but a necessary organisation for maintaining the peace and co-operation of the world.

Independent Status

Now, apart from our relationships with other countries and with U.N.O., I should like to say that another cardinal point of our policy, our internal as well as our external policy, is that we stand for our independent status as a country. We are striving for that and where we have achieved it we want to maintain it to the full.

We are striving to be a free, independent country, among the free, independent countries of the world.

A nation cannot be a nation unless it is independent. If it has not yet achieved independence it must struggle for it until it has it. Nationhood, nationhood of one's own, is dependent upon it, the life of a

nation. In South Africa there has been a struggle for years now to achieve more freedom for South Africa. Fortunately, after the wars that have taken place and the difficulties that have arisen, that struggle has been fought in a constitutional way. But that constitutional road has eventually brought us to this position, that even though we are a member of the Commonwealth, even though we are associated with other nations, which are our sister nations, we can nevertheless claim in the fullest sense of the word that we are an independent nation, and that we are entitled to call ourselves that.

There was quite a dispute not so very long ago about the question whether we were independent, and objections were raised against the word independence. We know that we had the Dominion Party here, which raised strong objections to the use of that word—our independent status. Well, I do not think there is any section left in South Africa to-day which wishes to take up the attitude that we are not independent, and I have been glad to see in recent times that Canada is speaking of its independence and Australia and New Zealand are speaking of their independence. They are in the Commonwealth. They do not want to leave the Commonwealth, but within the Commonwealth they are free, independent units. They are not forced to take any line through any compulsion from outside, whether exercised by a single people or by a combination of peoples. That is the basis of South Africa's freedom and eventually of her own nationhood. That is the basis to-day of the British Commonwealth, the basis of the Commonwealth, and so far as we are concerned, we stand squarely by that and we are not in favour of anything that is detrimental to the free independent rights which we possess to-day.

Now in connection with this the question arises: What then, is our relationship towards that Commonwealth? Now in connection with that I have already on several occasions made statements, not only since we have been in government, but also when we were in opposition. I also did so in a radio speech immediately after the new Government came into office, and I should just like to repeat what I said here to-day, and that is that so long as nothing is done which is detrimental to those free independent rights of the separate units of the Commonwealth, we have no intention of leaving that association.

We regard ourselves as being so free, with the rights that are generally recognised to-day, that no limits are placed to, no restrictions imposed upon, our free development. No limits are placed on our development, even if we should as a people decide to become a republic—if we want to do that we have the right to do it, it is one of our free, independent rights—so long as that is the position we are anxious to remain associated with the other members of the Commonwealth and to regard ourselves not merely as belonging to the wider circle of the peoples of the world, but we also wish to regard ourselves more particularly as belonging to a narrower circle of sister nations who are associated with one another because they have very great common interests, which they can and want to discuss in common and deal with in common. That is the attitude which we as a Government adopt.

I should just like to say in this connection that for that reason I have no objection, as Prime Minister, in attending a meeting of the Prime Ministers of the Commonwealth, if circumstances permit me to do so. I said at the outset that if circumstances justified it, if I thought that South Africa could be done a service if there were common matters which we could discuss, I should have no objection to attending a conference of that sort. And that is what I am now going to do in the immediate future.

There are matters, or there is a more specific matter, which is of common interest, a matter which I think affects South Africa to such an extent that it would have been wrong on my part not to attend that conference. Unfortunately, I cannot to-day go into the specific matter, I can only say that there is only one single question which is to be discussed there. The whole conference will not last longer than a week.

If other matters are discussed, it will be outside the conference and they will have to be discussed only informally. If I, for example, want to discuss matters which I think I should discuss with the British Government, then I shall have to do that informally and outside the conference. The conference has nothing to do with that. There may therefore be some such matters that I shall discuss in that informal way, but the conference of Prime Ministers is concerned with one matter and one matter alone, and the discussion will presumably not last for longer than a week at the most.

And for that reason I shall probably have been there and back within three weeks.

World Position

I now come to the world position, and if there is one thing to-day which fills us with concern, then it is the general world position, the question of peace, of the lasting peace of the world. Now there is no need for me to say—we all know it—that in spite of the existence of the United Nations Organisation, in spite of the enormous devastation which the war brought about, and of which the world has had proof in two world wars, it seems to-day that the possibility of war in the future is not to be excluded. It seems to-day as if the clouds of war are again gathering on the horizon.

Now the position is that unfortunately there are set up against one another in the world two ideologies which are not reconcilable with one another. There is a chasm between what we might call the East and the West which seems to be unbridgeable, and the result of the last war has been that those two ideologies have eventually come into closer contact with one another—that is to say, territorially, in the physical sense—and they are drawn up directly against one another in Central Europe to-day, and it is not impossible, naturally, under present conditions, that a spark might be put to the powder barrel. The place, the point, at which the two are ranged directly against one another, is not a question of hundreds of miles, it is not even a question of miles; they are ranged only a matter of yards from one another. That is in Berlin. Now we know the position in Berlin, and the point of danger is there, but then also—and it is felt, I think, on both sides—there is the position that if Berlin as a whole should go to one side or the other, it will decide the future. If the Allies had to withdraw from Berlin, as the Russians are out to force them to do, if they had to give up Berlin, then I think that Germany would be lost to the Allies, and if Germany had to become Communist, not of its own free will, but forced to become that by military might, then I fear that nothing will be able to check the Communist tidal wave in Europe and in the world. And it was for that reason that we as a Government decided, as we did at the request of the British Government, to lend a hand and help there in Berlin, so that the position might be maintained there.

It is my intention, when I have completed my work at the conference of Prime Ministers, just to touch at Berlin for the sake of making contact with our representatives there, who are helping to save the position there.

That is the position in general. The position has become more grave during the past year because a country that was anti-Communist—to some extent at least, and I think predominantly anti-Communist—Czechoslovakia—has been subjugated as the result of internal machinations and has to-day become a Communist-dominated country. As far as the East is concerned, the number of Communists has increased hand over fist, and except for a comparatively small area China is in the hands of Communists to-day.

You can imagine what an enormous influence that in itself will have on Asia. Fortunately there are in Asia also anti-Communist forces. I am glad to be able to say that in spite of the dissension that exists between us and India, I am glad to be able to say that India, so far as one can judge to-day, and according to the public statement that has been made, also joins in and joins in strongly with the anti-Communist side. That will mean quite a lot in the future and we hope that they will stand by it. That there is danger is undeniable, and we must face up to that danger.

Now, what is the remedy against it? This question has naturally had the careful consideration of the various countries. Measures for protecting the peace of the world have been considered and when it started to become apparent that the U.N.O. was not in a position to guarantee the peace of the world, other means were sought which might well provide the guarantee. There was nothing else for it but to fall back on the old attitude which existed in the past, and that is: The best guarantee of peace is to be prepared for war. Let us, then, say: fall back on that if we cannot do otherwise, however undesirable it may be, but fall back on rearmament, on preparedness to defend oneself. However undesirable it may be, I fear that there is no other alternative for the peace and safety of the world. That has been appreciated.

Atlantic Pact

Out of that there has now been born the Atlantic Pact, the organisation of various countries which are included among the Western democracies. It started in this

way, that at the outset it was realised that it would avail nothing to think out measures against—let us state it openly—the Communist tidal wave which is threatening from the East to flood Europe. As the countries of Europe, of the Continent of Europe, lie there, and, England included, lie there still paralysed and powerless as a result of the last world war, the first thing to which attention must be devoted is economic regeneration. They have been worn out by the last war. To a great extent the devastation is still there, and fortunately a statesman in America, Marshall, came to light with a scheme which was eventually adopted by the American Congress and which was put into effect, and to-day the economic regeneration is going ahead on the Continent of Europe of quite a few of those—let us call them—well-disposed, countries. When they have been regenerated economically, they will be in a far better position, not only to care for their own economic position, but they will be in a far better position to see to their own defence, or to a joint defence against a danger that threatens them. So the rebuilding of Europe has been undertaken, and we are glad that America, with her almost inexhaustible resources, was in a position to make her contribution, her extremely important contribution, towards it.

Later it was realised that it would have to be carried farther than that, for the position did not improve in the international sphere, it got worse. And then first of all there was brought into being the Western Union, that is only countries of Europe itself, who said that they had to stand together, not only to assist one another economically, but also to assist one another in a military sense. They were England and France and what were called the Benelux countries, the Netherlands, Belgium and Luxembourg. That union came into being, the Western Union, but it was felt that it would be of no use to them even if they did stand together if that mighty, overwhelming tidal wave from the East rolled on. It was urged to America that she should go further than merely giving financial aid. There were negotiations, America was prepared to do so, Canada also joined in it, they had discussions, and so the Atlantic Pact came into being, which was signed a few days ago, and which is now in force and which has been entered into for twenty years, definitely for the first ten years, and then it

may be extended for another ten years if necessary.

That agreement also has its military aspect. And it is not intended only to assist in rebuilding, but it is at the same time an alliance for defence, for military defence if they should prove necessary. That Atlantic Pact has been extended by invitations that have been directed to certain other countries: Denmark was invited and has joined, the same applies to Norway, Portugal was invited and a short time ago also decided to join; the invitation was also sent to Italy, and Italy has also decided to adhere to it.

The question was put to me in the other House, merely by way of interjection, whether we were going to join, whether South Africa was going to join the Atlantic Pact, and my answer—naturally it was merely given casually—was that we were waiting for an invitation. What I meant by that was this: that joining in the Atlantic Pact was not done by way of application, it was done by way of invitation, and so long as we have received no invitation to join in it, we have no need to consider the matter. That was really the meaning of the one sentence which I used just in passing in the course of the debate in the Other Place.

Now that Atlantic Pact is non-aggressive, that we must clearly understand. If it had been aggressive, then those countries of Europe, the majority of those countries of Europe who are now members of it, would have had nothing to do with it. It is there for defence, and for defence only in the event of an attack. Nor is it in conflict with the Charter of the United Nations, for the United Nations Charter makes it clear that there may be Western agreements for defence, for common defence, and indeed there is one which existed before, and which has continued to exist, in spite of the Charter of the United Nations. That is the Pan-American Alliance. That is a regional agreement between various countries for joint defence whenever it may be necessary. And so it is considered that we know what the danger is, we are not minimising it, there is that danger, but in that light one must also look upon the coming into being of the Atlantic Pact. It is for defence, it is designed for joint defence in view of possible dangers, but because it is regional it does not conflict with the Charter of the United Nations. Although Russia is naturally doing all she can to represent it in that light, to show that it is aggressive.

It is regional, and that is why it is restricted to the countries which lie about the North Atlantic Ocean and not farther south than the Tropic of Cancer, the northern tropic. As the Atlantic Pact stands, the countries to the south of that are not affected. And the only part of Africa that is concerned in it, for it is specified, is the French territory in North Africa, Algeria; that is affected.

Now I have spoken here about the rebuilding of Europe, and let me just say this here, that if there is one thing about which I am delighted, and I think we all are, it is that a more lenient spirit is beginning to reveal itself in regard to Germany, and more especially Western Germany, which is occupied by the Western Powers, than has been the case for years. There was undoubtedly a severe feeling, I fear in many instances a feeling of revenge. But one idea has more particularly begun to prevail in recent times, and that is that the interests of the West are also dependent on the future of Germany. As I said just now, what happens to Germany, whether it becomes Communist or anti-Communist, on that the whole future of Europe will depend. Economically it also lies in the centre there, and the question whether Germany goes under economically or flourishes economically will also have repercussions in all directions. And for that reason the feeling is growing more and more that the former enemy should be treated and if necessary so assisted that it will become a friend, and so that it may be a valuable friend to us.

That is why I am glad to be able to say that conditions in Germany, in so far as the feeling is concerned, and also in so far as the future of Germany is concerned, have in recent times undergone a change which I think we should welcome. I do not believe that the German people are inclined towards Communism. I do not believe it, I do not even want to accept it of that part that is occupied by Russia. And I hope the day will come when there will be freedom also for the oppressed peoples on the Continent of Europe, and among them I include the satellite States of Russia, Rumania, Bulgaria, Jugoslavia—which is also partly a satellite—Czechoslovakia, Poland, that those countries will again have such freedom as to live their own lives as they please.

Those are countries in which nationalism has through all the years been very strong. And I want to express the idea here that

the hope of getting the better of the danger from the East, and of breaking it, does not lie and cannot lie only in the military power which the Western Powers can mobilise and use. I think that there is just as strong, if not a stronger, force in those smaller peoples that have been overwhelmed. In many cases, and not always through foreign influences so much as from within, those smaller peoples will again return to their sentiment for, and the full application of, their nationhood. We have seen what has happened in Yugoslavia, and if there is one country which was out and out Communist of its own free will, then it was Yugoslavia, which was closely connected with Russia. Eventually that system, the Communist system, was clearly proved to them to be a system which allowed no freedom, a system which oppressed their own nationhood, and the feeling for their own nationhood has started to revive, and the hope of the future for the eventual final victory over Communism lies not in military might alone, but in the reawakening of their own nationhood in those satellite States around Russia.

Position of Africa

So much for the Atlantic Pact. Now just finally the question, how does all this affect Africa, the Continent of Africa, and how does it affect our own South Africa? I said that the Atlantic Pact was limited to countries north of the Tropic of Cancer. Africa is naturally excluded from that, but the question does arise for us, what is going to happen if war breaks out. The countries of the Atlantic Pact will be in it; how is it going to affect Africa? In the first place we must not lose sight of the fact that there are quite a number of those countries that have possessions in Africa, colonies in Africa. England has, Belgium has, France has, Portugal has, but in any event those are countries which are members of the Atlantic Pact, which may be involved in war, and which all have interests and colonies in Africa. Could those countries be involved in war and their colonies remain quite out of it? I think that is inconceivable, the more so, also, because they draw their raw materials from those colonies, they draw from them their food, they are dependent on those colonies waging war as well, and an enemy would in those circumstances not leave those territories undisturbed if it could help it. Therefore we must take it that if war breaks out and the countries of the Atlantic

Pact are in it, then Africa will also be affected, and it will be affected not only high in the north, but it will also be affected lower down.

We have Portugal here at Lourenço Marques, right on our borders, Portugal on the other side at Angola. So that in that way Africa is affected as well. In regard to this matter I have made statements before, I made them in the House of Assembly—I do not know whether I have done so here as well—which amounted to this, that if war should break out our sympathies would without the least doubt be on the side of the Western Powers.

I am speaking here not on behalf of one section of the people of the country, but I am speaking here on behalf of all sections of the country, I am speaking on behalf of this side and I am speaking on behalf of that side, I am speaking on behalf of Afrikaans-speaking people and on behalf of English-speaking people. If war should break out, then in so far as our sympathies are concerned, there will never have been an occasion in South Africa when there has been a state of war, when the people of this country will have stood together to such an extent as now, and I have said that we should not be able to remain neutral. Well, that is the statement which I made previously and which I again wish to stress here.

Communist Danger

The war between anti-Communist countries and Communist countries would create a danger for us here in South Africa which will be, I do not want to say just as great as that created for other countries, for the simple reason that the Communists have been making propaganda here in South Africa for a long time now. They have played their part here, and they are still doing it to-day, they are doing it openly but only partly openly, to adopt the words used by General Smuts. They are doing it in the dark, and in the dark they are carrying it on, they are preaching, as he called it, a devil's gospel.

And it is taking root among the non-European population of the country, there is not the least doubt about that, and do not speak of that happening under this Government, for the blame is sometimes placed on this Government, but since we have come into power we have received reports based on inquiries that have been made about the conditions which prevail here in the country, and which prevailed

under the previous Government. And they are to the effect that the position in regard to communistic propaganda and activities here in South Africa is definitely serious and dangerous, and that it is time, high time, that steps should be taken in regard to it. It led to such a state of affairs, that when a member of the Other Place who is a Communist, an open Communist, wanted to go and propagate his Communist ideas in places where they would definitely have led to trouble, and even in locations, we said that we should make use of the powers that we had and prohibit meetings of that sort.

That is only an indication of our general attitude and of our intention to deal with the matter and to deal with it seriously. It is for the reason that the danger is there, a serious danger to us as to other countries, it is for that reason that we cannot stand aside and cannot remain neutral. The extent to which we shall be able to take part in such a war naturally depends in the first instance on what the situation is in South Africa itself, in so far as our internal security is concerned.

Our first duty is to see to the safety of the people here in our own country. If we are sure of that, then it is self-evident that we should devote our attention to the safety of the territories here in Africa which lie to our north. Waging a war is not what it once was, waging a war is done through the air, and the base from which an attack may be made is no longer your borders but may be hundreds of miles away from you. For that reason our obligation will be if we go outside our own borders, and if our strength allows it, to see to the safety of territories which lie closest to our own borders.

Whether we shall be able to do anything more than that is not a matter with which we need concern ourselves to-day, it is a matter to be decided in the circumstances and the finding of that time. But we here in South Africa will have to be prepared for all eventualities in the future, just as the countries sharing in the Atlantic Pact and other countries of the world are of necessity and to their regret having to do it, in that way we too shall have to do that in South Africa.

Now in regard to the Atlantic Pact and ourselves, I can say this: I know that we shall in any event have to understand one another in regard to contingencies. There might be a very good opportunity of doing, as I have thought for a long time now, something which is very necessary in

regard to South Africa's interests in general, and that is that the peoples in Europe who have interests here, who have possessions here, should have a conference with one another in regard to a general policy for Africa, and should understand one another.

Settlers from Asia

During the last session it was said here in Parliament: "America, North and South, understand one another, they have their charter." Europe is engaged to-day in getting its charter as well. A certain amount of progress has already been made in that regard, towards the obtaining of a charter for Europe. There is no doubt about it that countries in Asia are coming closer to one another and trying to reach an Asiatic understanding with one another, and it is time for us to get a charter for Africa, the Continent to which we are connected and of which we are a part. Whatever happens to Africa will necessarily affect us as well.

If Africa should become the settling-place of the surplus populations of Asia, as is taking place in a part of Africa farther to the north, will that not affect us here in South Africa? Will that not create problems in South Africa which are already difficult enough to solve, but which will then become completely insoluble? That is one problem, a problem in which we too have an interest.

If they are going to militarise the Natives of Africa does that not create for us here in South Africa a danger, and a serious danger, and a threat? There is not the least doubt about that. We have an interest in Africa not being militarised. Those and other similar problems are there, and I think that in regard to these matters the Powers that have possessions here should meet one another and confer with one another, not only in regard to the defence of Africa—that is one matter—but also about those matters which I have mentioned here.

Now I hope that since the Atlantic Pact will need us, and where we will need the Atlantic Pact, that the opportunity will possibly be created for us to arrive at an agreement in regard to these matters in Africa, and in regard to an African policy. I think that the opportunity is there, and I say that we require the Atlantic Pact.

The weakest place in which to make an attack, the most vulnerable place, is the Middle East. The Russian bases are close. The bases of other countries, of other

Powers, are far away. It is not impossible that the Suez Canal may be destroyed or that the Mediterranean Sea will no longer be able to afford a passage, and that the passage round Africa will become absolutely necessary to the West if it wishes to retain any contact with the East. They need us in such a case, they need our co-operation, our goodwill, but it may also be that in view of the dangers to which I have referred here, here within our own

borders, that we too may need those Powers, the Atlantic Pact or other Powers that have interests here in Africa, and for that reason I hope that it may be possible in connection with this matter for us to find a point of agreement, and that we may be able to make progress in that respect. I think I have said enough, Mr. President, and for that reason I move the motion.

C.R.O. ref.: G 2110/37

No. 11

F.O. ref.: W 3441/4/68

NATIONALIST GOVERNMENT IN SOUTH AFRICA

Review of Developments since October 1948

Sir E. Baring to Mr. Noel-Baker. (Received 28th May)

(No. 152. Confidential) *Cape Town,*
Sir, *25th May, 1949.*

In my confidential despatch No. 249 of 15th October I reported on the achievements and prospects of the present Government since their accession to power last May. In this despatch I propose to survey briefly the principal developments which have taken place since then, leaving aside questions of purely party politics, which I propose to deal with in a separate despatch at the end of the session.

Foreign Affairs

2. The attitude of the Nationalist Government to the outside world has been profoundly affected by their growing sense of the Communist menace. Their hatred of Russia is responsible for such gestures as their eager participation in the Berlin airlift and for the change of outlook expressed in the Prime Minister's speech in the Senate on 8th April. In this speech Dr. Malan repudiated isolationism as a policy for South Africa; declared his Government's intention of continuing to co-operate with the United Nations despite the many defects of that body; and in giving his blessing to the Atlantic Pact implied that the only reason why South Africa had not joined it was that its nature had prevented her from receiving an invitation. He also re-affirmed his repeated declarations that in a war with Russia the Union would and could not remain neutral.

African Policy

3. The Prime Minister's speech on 8th April also contained an important statement on the Union's African policy. After his reference to the Atlantic Pact he went on to advocate a similar arrangement for Africa in which the Union could participate along with United States and European powers with African territories. He suggested that these powers should collaborate in the drawing up of an "African Charter," which should deal *inter alia* with such vexed questions as the militarisation of Africans and Asiatic immigration.

The British Connection

4. In the same speech Dr. Malan declared that South Africa had no intention of leaving the Commonwealth provided that her membership did not prevent her from becoming a republic should she so wish. This declaration, which was repeated in his broadcast in London after the Prime Ministers' meeting and again in his statement in Parliament on this meeting, marks a remarkable evolution in the views of at any rate some Nationalist leaders. A few years ago it would have been heresy to suggest that Nationalist aspirations could be satisfied by a republic within the Commonwealth.

Defence

5. In defence matters also, where the attitude of the Nationalists had been

expected to be particularly difficult, the fear of the Soviet Government has led to a forthcoming attitude on the part of the Government. I have already reported so fully on this matter that it is only necessary to observe that defence co-operation with the present Government may well be easier than it would have been with their predecessors, hampered as they would have been by the liability of being attacked by the Opposition for converting the U.D.F. into a cog in the British war machine. I should add that the Minister of Defence himself, after his erratic start, seems to have settled down and to have had second thoughts on most of his more questionable decisions. In particular his choice of a successor to the late Chief of the General Staff and his other senior military and air appointments have created a favourable impression in service circles.

Non-European Policy

6. On the Indian front the most important event has been the Durban riots last January, when the local native population attacked the Indian community with such ferocity that the situation passed out of the control of the civil authorities and order had to be restored by the armed forces at the cost of much bloodshed. These inter-racial disturbances, the first of their kind in the history of the Union, have played into the hands of the Government, who have not been slow to draw the moral that 'apartheid' is the only way of avoiding racial friction and that in the case of the Indians the best form of 'apartheid' is repatriation. This view was persuasively expounded by the Minister of the Interior in Natal during the provincial election campaign, in the course of which he took the opportunity to announce that, with a view to encouraging and accelerating Indian repatriation, the Government had decided to increase the capital sum payable to any Indian who elects to return to his own country. The riots have also discredited the Congress leaders, who represent the extremist section of the Indian community, and put an end for the time being to any trace of the united anti-European front which the Communists were endeavouring to build up.

7. The report of the Commission of Enquiry into these riots deserves mention on its own account. The Commission have no difficulty in finding that the riots were preceded by a long period of strained relations between the two races, due to the instinctive dislike of the Native for the

Indian, aggravated by economic and other causes of inter-racial friction, such as miscegenation. All these factors, however, had admittedly been operative for many years, and the real question is why the attitude of the Native to the Indian should suddenly have changed from one of passive to active hostility. One view which was put to the Commission was that the anti-Indian speeches of Nationalist politicians gave the natives the impression that the authorities were hostile to the Indians and would like to be rid of them. The Commission themselves quote a Senator as having said publicly that if it were not for the danger of being prosecuted for murder, shooting would be a solution to the Indian problem; and Native rioters as urging the police to give them a free hand and saying "Our fight is not with you but with the Indians; you prepare the ships; we will see to it that they embark—in two days there will not be a single Indian left in the country." Nevertheless, they state that they have been unable to establish any casual connexion between the public speeches complained of and the riots. On the other hand they draw attention to the bad example given to the Natives by the Indians both during their passive resistance movement, when they openly defied the laws, and by their attempts to create an anti-European front, when they stirred up unrest and dissatisfaction among Natives, only in the end, as the Commission remark, with undisguised satisfaction, to be "hoist with their own petard." Nor are they prepared to agree with those who hold that a contributing factor to the outbreak was a growing sense of frustration and despair in the Natives. On the contrary, they assert that, left to himself, "the average Native" is quite satisfied with conditions of life in the towns, accepts discrimination between himself and Europeans as necessary for his own protection, and for the same reason is "a keen supporter of residential, social and economic segregation." They consider that the idea that he has grievances is instilled into his head by "Native intellectuals" and "so-called Native leaders" with a vested interest in stirring up trouble, who themselves have derived their views from ill-informed criticisms of South African Native policy made by the foreign press "with most unsettling influences on the Native mind." In short the Commission's view is that the root of the trouble is the foreign press, which "unsettles" the otherwise contented Native, and that when the Native is

unsettled he tends to attack the object nearest him, *i.e.*, in this case the Indians. I have by no means exhausted the curiosities of this document, which throws less light on the riots than on a state of mind and a point of view still fairly common in South Africa though almost extinct outside it. It is no great exaggeration to say that in this report a judge of the Appellate Division of the Supreme Court has, with his colleagues, written a political essay in support of the Nationalist attitude to non-Europeans.

8. The Natives Representatives' Council has been curtly informed that the Government agree with its view that it serves no useful purpose and propose to abolish it. Otherwise the attack on non-European political rights has been held up by Mr. Havenga's declaration that even though the entrenched clauses of the South Africa Act can be legally over-ridden, it is desirable to act in accordance with their spirit, or, in other words, that he disapproves of the proposal to use the present small and precarious Nationalist-Afrikaner majority to abolish Native representation in the House of Assembly and remove the Cape Coloured voters from the common roll. Though this declaration has so far deterred the Government from proceeding with their contemplated legislation it is uncertain whether Mr. Havenga will be able to maintain his position. His party holds the parliamentary balance, but all their seats depend on Afrikaner support, and if it came to a show down on this issue it is doubtful whether he could carry all of them with him. It would therefore be unwise to regard the delay in introducing this legislation as more than a temporary reprieve.

9. With legislation on 'apartheid' thus blocked pending inter-party agreement, the only important Act to reach the statute book is the S.W.A. Act. The purpose of the Act is to "integrate" S.W.A. into the Union by providing for its representation in the Union Parliament. The main centre of controversy has been the proposal that the Territory should be allotted six seats in the House of Assembly and four in the Senate, which would mean that a member for a South West African constituency would represent only about 3,000 voters as against an average of 8,000 for the rest of the Union. There has also been criticism of the proposal that South West Africa should retain control over its own finances. The animus behind the Opposition criticism does not, however,

derive from general considerations of political rectitude but from their fear that the Nationalists have been able to outbid them for the support of the Territory and that the new Assembly seats will be Nationalist pocket boroughs. It was no doubt from a desire to put in one last bid in the auction that General Smuts, on 31st March, moved an amendment to remove the clause restricting the competence of South West African members to vote on financial matters affecting the Union. This amendment was gladly accepted by the Prime Minister. The Act has now received the Governor General's assent.

10. I think it is fair to regard the South West Africa Act as one of the Government's measures to consolidate its position. Admittedly an Act of this sort was inevitable sooner or later, whatever the complexion of the Union Government, and, in spite of the assumed indignation of the Opposition Press, it is doubtful whether the terms which a United Party Government would have offered would have been much less generous. There is no doubt, however, that the Nationalist Party expects to obtain at least the majority, if not all, of the South West African seats. They are confident that they will be able to make a greater appeal than the United Party to the voters of German origin and they are taking steps to increase their number by a measure to re-grant naturalisation to those whose naturalisation was cancelled in 1942. There have already been defections of officials of the United Party in the Territory to the Nationalist Party. The United Party will in future be able to counter the Nationalist warnings of the danger that the Native Representatives might hold the balance of power in the Union Parliament with warnings of the balance of power being held by Germans; but a white-faced bogey is much less useful politically than a black-faced one.

11. In my despatch of 15th October I mentioned that the present Government must be given credit for maintaining the greatly increased grants made by Mr. Hofmeyr for Native education. This white spot on their record has now been largely erased by their decision to put an end to the Native school feeding scheme and to make a beginning by stopping at once all Government contributions made under 'his scheme to Native schools on farms and in the platteland. This decision is directly contrary to the recommendations of a commission appointed by the Government themselves to enquire into the scheme and,

though ostensibly based on the need for economy, does not touch the far less necessary free meals which are provided in European schools. It is only fair to say that one or two Nationalist Members of Parliament have had the grace to express their disapproval of this mean and shameful piece of discrimination, which is generally reprobated by the English speaking people.

12. Against this deplorable episode it is pleasant to be able to set the recent announcement by the Government that the trade unions have agreed under certain conditions that they will no longer oppose the use of Native labour to build houses for Natives in Native urban locations. It will be recollected that the trade unions embargo on the late Government's scheme for training Natives to build their own houses was described by General Smuts, on his return from the United Nations in 1946, as one of the things in South Africa which he found it impossible to defend abroad. Thought it seems unduly optimistic to hope, as the Minister of Native Affairs has suggested, that this will go far towards solving the problems of Native housing in urban areas, it is a welcome if belated step in the right direction.

13. In the meantime the gravity and urgency of the problem has been underlined by the Durban Riots Commission, which reported that "the slum areas on the fringes of Durban" were "a disgrace to any community which calls itself civilised" and had a direct bearing on the riots: "you cannot get pure water out of a cess-pool." The Commission went on to exonerate the Durban Municipality from the charge of criminal neglect, pointing out that the rectification of these conditions would involve an annual expenditure which ratepayers were unwilling to accept. These remarks are equally true of Johannesburg, where similar conditions exist on an even greater scale.

Economic Affairs

14. In economic affairs the past six months have been dominated by the balance of payments problem. In November the rapid running down of the gold reserve, owing to heavy importations from America, compelled the imposition of exchange control on non-sterling countries, which were subjected to a 50 per cent. cut on their 1947 imports. The effect of this was to transfer orders to the sterling countries at a moment

when the inflow of United Kingdom capital, from which sterling imports had so far been financed, had ceased. As a result sterling balances in their turn started to run down with such rapidity that it has been found necessary to extend import restrictions to the sterling area. Simultaneously, it was decided to change over from the quota system of imports to a system of commodity control. The aim of the new restrictions, which will not be brought fully into force until 30th June, will be to bring expenditure on imports into equilibrium with earnings from exports, including the annual gold production. In figures this will involve reducing imports in 1949 from their 1948 level of nearly £400 million to about £250 million.

15. As a complementary measure to these drastic import control measures, restrictions have been imposed on bank credit facilities with a view to reducing the volume of purchasing power in the Union and thus contracting the demand for imported commodities. It is hoped that by the end of the year these disinflationary measures will have been successful in reducing purchasing power sufficiently to enable some slight relaxation of the present import restrictions.

16. The Union is also suffering from a shortage of capital, due partly to the cessation of the inflow of capital from the United Kingdom and partly to the embargo which has been placed on Union loans in the London market pending the repayment of the gold loan. Considerable difficulties are consequently being experienced in financing Government and municipal loan expenditure. Abroad the Government are in negotiation with the United States Import-Export Bank for a loan to enable them to import essential raw materials and capital goods required for the Government.

17. The most serious long term feature of the Union's economic position is the heavy fall in the world purchasing power of gold, on which before the war she relied for the payment of 70 per cent. of her imports. Owing to the rise in import prices the value of her income from her gold production has been more than halved at a moment when her import requirements have increased by the need to import plant and raw materials for the secondary industries which she has been developing. Failing a rise in the world price of gold, the Union may well be faced with a permanent reduction in her standard of life.

18. To sum up, at the end of their first year in office the Nationalist Government are proving much more co-operative than might have been expected in external relations, including defence matters. In the domestic field their principal object, the reduction of non-European political rights, has been temporarily held up by Mr. Havenga's opposition. Economically

the scene has been dominated by the balance of payments crisis, which has compelled the introduction of drastic import restrictions.

19. I am sending copies of this despatch to other High Commission posts and to the United Kingdom Representative in Dublin.

I have, &c.

E. BARING,
High Commissioner.

C.R.O. ref.: C 2530/31

No. 12

F.O. ref.: W3167/4/68

CONFERENCE OF COMMONWEALTH PRIME MINISTERS

Reactions in the Union of South Africa to Dr. Malan's Speech of 11th May, 1949

*Sir E. Baring to Mr. Noel-Baker. (Received in Commonwealth Relations
Office 9th June)*

(No. 168. Confidential) *Cape Town,*
Sir, *7th June, 1949.*

Dr. Malan's speech in Parliament on the 11th May on the results of the Prime Ministers' Conference has made a great impression on South Africans. There has been much comment in the press and in Parliament. Its implications have been widely discussed.

2. Three questions above all others demand an answer:—

- (1) The correct interpretation of Dr. Malan's intentions for the future.
- (2) The nature of the policy of Mr. Strydom and his supporters.
- (3) The reaction of the United Party in particular, and of English-speaking South Africans in general to the coming campaign for the establishment of a South African republic.

Dr. Malan

3. From the Prime Ministers' speech four main points emerge:—

- (1) South Africa's reaction to recent constitutional developments should be viewed against her place in world affairs. The present position is full of dangers. South Africa is anti-communist; she welcomes the signature of the Atlantic Pact; she could not remain neutral in a war with the Soviet; and if such a war broke out she would be able

to present a more united front than had ever been witnessed before in this country.

- (2) In view of the dangerous world situation it was most important to avoid creating the impression that the British Commonwealth was disintegrating and was no longer a force in world affairs.
- (3) Both sides of the House and all sections of the country agree in desiring that South Africa should remain within the Commonwealth. During the debate Dr. Malan reiterated no less than four times the statement that South Africa would remain in the Commonwealth. (Nationalist members listened in complete silence to these remarks).
- (4) The Crown is not the only or even the most important link binding the Commonwealth together. For those countries with a homogeneous population of British origin it no doubt played an important role in promoting unity. For those of mixed origin it is frequently maintained only at the expense of internal unity. (These remarks were received with loud cheers from the Government benches).

4. Later in the same debate Dr. Malan repeated his election pledge that no steps to establish a republic would be taken in

the lifetime of the present Parliament. This Parliament he said has been elected on the colour question. A constitutional change would not be made unless and until the will of the people had been taken, not by an ordinary general election, but "in such a way that a decision is taken on that matter and that matter alone."

5. Three versions are now current of Dr. Malan's plans:—

- (1) He will continue to pay lip service to the republican cause. His past demands this. In point of fact he will, however, take no steps to renounce allegiance to the Crown. Now that South Africa's right both to become a republic and to remain within the Commonwealth has become clear for all to see he is satisfied.
- (2) He shares the views of Mr. Strydom and his ultimate aim is the establishment of a republic outside the Commonwealth. He hopes to attain the position of Burma, not that of India. He considers, however, that a public expression of these views at the present moment would be impolitic.
- (3) His words should be taken at their face value. His aim is a republic within the Commonwealth since this is the best form of government for South Africa.

6. It might reasonably be said that of these three versions the first is the optimistic, the second the cynical, and the third the simple. Mr. Forsyth, the Secretary for External Affairs, is an exponent of the optimistic version. He admits that the views of other Ministers already diverge from those of Dr. Malan, that in the future the gap may widen, and that the policy of these Ministers may prevail. Having made this admission he, however, expressed to me the belief that Dr. Malan himself has at present no intention of taking serious steps to establish a republican form of Government. It appears that Dr. Malan, during the return journey from London, remarked to Forsyth that nations were in many ways like people, that when they know they can obtain something they are often satisfied with the knowledge alone. "There is all the difference in the world" Dr. Malan continued "between hoping that one might obtain a republic and knowing that a

republic can be obtained." Forsyth's remarks are very interesting, but personally I take them with great reserve, though I realise that few Nationalists will incur a serious risk of loss of office in order to gain the republic.

7. In direct opposition to this version is that of General Smuts. He believes that Dr. Malan's ultimate aim is that of Mr. Strydom. Both, he told me, desire the destruction of the British connection and the ultimate establishment of a State completely severed from the British Commonwealth or, as he put it, "a secessionist republic." Dr. Malan is clever enough to realise that he must advance towards his goal step by step and in doing so must not reveal the nature of that goal. The fanatical enthusiasm of Strydom's followers and his own violent and emotional nature preclude the Transvaal leader from following a similar course.

8. The cynical version may possibly be true. Dr. Malan may be a South African Janus. In the past, Nationalists have practised deceit with some success. For example, all through the debates of 1910 leading up to the establishment of the Union no word was spoken of a republic. Yet within three years General Hertzog and his followers were proclaiming its merits from every platform on the Platte-land. On the other hand times have changed. Dr. Malan and his associates may be unwilling to take effective steps to avert the "black danger" yet they live in daily dread of it in a manner unknown to white South Africans of 1913.

9. The third and the simplest version is that Dr. Malan means what he says. This point of view is ably explained in the attached translation⁽¹⁾ of a leading article extracted from the 6th May issue of *Die Burger*. Notable points in this article are an unusual expression of sympathy for the point of view of English-speaking South Africans; the affirmation of a wish to remain in the Commonwealth as a point of agreement between the two main parties; and a statement that the primary aim of the Nationalist Party is not a republic but "an internally united nation." This statement is supported by quotations not from Afrikaans or Dutch authors but from John Stuart Mill. (Had he lived in modern South Africa he would have been denounced as a liberal of the deepest dye!). If the editor means what he writes, his aim is a united people and, I need hardly add, these words mean a

(1) Not printed

united white population. The primary purpose of that united white population will be the maintenance of its supremacy in South Africa. Party disagreements will of course continue but they will not be serious enough to weaken a united front against any threat to the white man's rule. The writer sees the way to the necessary degree of agreement in a compromise on that constitutional issue which now causes too sharp a division between the two sections of white South Africans. No longer, he argues, need white South Africa choose between Commonwealth membership with the common allegiance on the one hand and a republic severed from the Commonwealth on the other. Hence the tendency of the Nationalist press to emphasise the importance of the 1949 conference and to place it on a level with that of 1926. Following the decisions of that conference, *Die Burger* argues, Afrikaners may be pleased by the establishment of a republic and British sentiment appeased by the retention of Commonwealth ties. Thus this year's conference opens the way to a united nation.

Mr. Strydom

10. During the debate the leader of the Transvaal Nationalists, Mr. Strydom, made an important speech defining his own attitude towards the constitutional issue. He said that the ultimate goal of the Nationalist Party had always been and still was a republic separated from the British Crown and Commonwealth. It had, however, always been recognised that this could only be brought about with the support of a safe majority in the country and that it might therefore be necessary to proceed gradually, like Mr. De Valera. The importance of Dr. Malan's achievement in London was that he had shown that it was possible "to get a republic which, while retaining its association with the Commonwealth, will no longer owe allegiance to the Crown"; this would have a great psychological effect on English-speaking people who had hitherto been opposed to a republic on the assumption that it would involve entirely severing connection with the British Commonwealth.

11. The two Nationalist newspapers of importance are in the Cape Province *Die Burger* and in the Transvaal *Die Transvaler*. The editor of the second wrote on the 12th May "South Africa will pass step by step to a republican form

of Government; and a republic which remains as yet a member of the Commonwealth can be regarded as a step towards the ideal." There can be no doubt that Mr. Strydom and the editor do not share the views expressed by Dr. Malan during his speech in Parliament. For them a degree of national agreement as the primary aim of the party and a republic within the Commonwealth as the form of government best suited to South African conditions mean nothing. To Mr. Strydom and to *Die Transvaler* the virtue of a republic within the Commonwealth is not its intrinsic merits but its power of reassuring English-speaking opinion. Once South Africans of British origin have discovered that their interests do not suffer in a republic within the Commonwealth the final step may be taken. Mr. Strydom, in short, made it clear that he regarded a republic within the Commonwealth merely as a step towards the achievement of the ultimate ideal of a republic separated from the Commonwealth; and that for tactical reasons he considers it advisable to snap the links successively, first getting rid of the Crown as a preliminary to severing all connection with the Commonwealth.

The United Party

12. General Smuts' views are perfectly clear. In his reply to Dr. Malan in Parliament he retracted none of the arguments advanced by him against the admission of a republican India into the Commonwealth. He accepted, however, the decision of the Prime Ministers without complaint or reservation. He went on to say that in his view the Statute of Westminster was based on two ideas. One was the free association of Commonwealth nations and the other the common allegiance to the Crown. Dr. Malan had said that the Commonwealth could not be a powerful factor in world politics unless it developed and changed to meet changing circumstances. General Smuts maintained that to play its full part in the world, to avoid degeneration into a mere symbolic association of States, the acceptance of both ideas is required. The cause of national unity would be best served if the establishment of a South African republic were not raised. Both Dr. Malan and Mr. Havenga promised this for the life of the present Parliament (which, according to *Die Burger* will "probably be at least four years") but would go no farther.

13. General Smuts will fight the establishment of a republic, whether in or out of the Commonwealth. His views are clear, but those of his followers, both in and out of Parliament are, as usual, muddled.

14. If English-speaking South Africans would strongly, with one voice and without reservation oppose a change to republicanism they might well succeed. Unfortunately they lack the political leaders of 1909 and even the editors of 1929. Mention with approval of a republic within the Commonwealth was made in the *Forum*, the paper representing the views of Mr. Hofmeyr, during the war. This year the *Cape Times* and the *Cape Argus* do not declare that a republic is of itself an unsuitable form of Government for South Africa, but only that the establishment by the Nationalist Party of a republic is undesirable. Nationalist appeals to unity against non-Europeans are crude but may be effective. The argument that a republic within the Commonwealth is a constitutional form now accepted, in fact welcomed, by the United Kingdom herself will be used and, in this country, will be plausible. Some members of the public will feel that denial of allegiance to the Crown will affect neither their pockets nor their security. Some members of Parliament will hope to come back into office on the issue of a republic to remain permanently within the Commonwealth. When Hertzog left the South African Party in 1912 Botha joined with Smart and the Unionists. When Malan left the Nationalist Party in 1933 Hertzog joined with Smuts and the South African Party. When Strydom leaves the Reunited Nationalist Party, Malan, these Opposition members hope, will join with Smuts and the United Party. Fear of the Native and fear of being in a permanent minority will both urge English-speaking South Africans to compromise and to accept a republic within the Commonwealth. On the other hand opinion may rally against a republic, and as the shoe begins to pinch after the effects of import control are felt, the prestige and the popularity of the Government may wane, and with that waning may come a greater determination to resist constitutional change.

Conclusion

15. No Englishman should state confidently that he knows the mind of an

Afrikaner. Yet he can guess. My own guess, given with some hesitation, is that Dr. Malan means what he says. For two reasons I would choose the simplest of the three versions of his plans mentioned in paragraph 5.

16. First, Dr. Malan is, whether rightly or wrongly, convinced that there is a "black danger," that communists are very active and very successful among South Africa's non-Europeans. Some time ago I was able to see the minutes of a meeting of the Executive Committee of the *Broederbond*. In this, Transvaal members maintained that the first aim of the society should be the eradication from South Africa of all things British. Dr. Donges, expressing the Cape Province point of view, remarked that the primary aim should rather be the maintenance of white supremacy. The difference is one of emphasis, but it is important.

17. Secondly, Dr. Malan's visit to London has made a great impression upon him. When he declares that South Africa is now free to establish a republic his opponents, with some reason, accuse him of setting up an Aunt Sally and then knocking it down. Yet to remain in South Africa and read of decisions in London is one thing. To see a Commonwealth Conference at work is another. My belief is that Dr. Malan's personal experience has broken down something of the veil of suspicion which Nationalist misrepresentation has placed between Great Britain and most Afrikaans-speaking South Africans. If this guess is correct then there is disagreement within the Party; and indeed there are many signs that this is so. Opposition between the view that a republic within the Commonwealth is but an intermediate step and the belief that it is the most desirable of all constitutional forms of Government for South Africa will be one cause. Regional rivalry between the Cape Province on the one hand and the two former republics on the other will be another cause. Personal ill-feeling between rival candidates for the succession to Dr. Malan, notably between Mr. Strydom and Dr. Donges, will be a third.

18. To believe that the Government might change owing to a split down the centre of the Reunited Nationalist Party is more reasonable than to hope that the Afrikaner Party will be the cause of its collapse. Yet the fruits of office are sweet after fifteen years in the wilderness. Nationalist Members of Parliament know

the story of the Nationalist movement. Internal dissensions have been the bane of that movement; and Nationalists have long memories. The success obtained by a united front in 1948 was brilliant. There is no need to quarrel now over the next step but one. Later it may become necessary to offer English-speaking South Africans some guarantee as to the nature of the new republic and it may then become impossible to patch up the quarrel, but for the present party members must remain united. The "lunatic fringe," Pirow and the members of the *Ossewa Brandwag*, are, however, already sniping at Dr. Malan. They say that he has sold the cause of the true republic and "is in love with England." Followers of Dr. van Rensburg, the O.B. leader, by doing this while still members of the Afrikaner Party—a party led by Mr. Havenga who has fully supported Dr. Malan—illustrate the great part played in Afrikaner politics by personal rivalries. Should

public criticism of the Prime Minister spread from extremists without to extremists within the Reunited Nationalist Party the danger of a split in the government ranks will become serious.

19. Undoubtedly recent developments have brought a republic nearer. Undoubtedly, they have also brought nearer a split in the H.N.P. The prospect of the establishment of a republic within the Commonwealth depends first on the vigour of the opposition from the United Party side in Parliament, and from English-speaking South Africans in the country, and secondly on the development of the relations between the more moderate and the more extreme wing of the ruling Party.

20. I am sending copies of this despatch to other High Commission posts and to the United Kingdom Representative in Dublin.

I have, &c.

E. BARING,
High Commissioner.

Hong Kong
4. Mr. Baring said that the situation in Hong Kong was an explosive one and would need careful handling. Communist

CHAPTER V.—GENERAL

No. 13

NOTE OF A MEETING BETWEEN THE SECRETARY OF STATE AND
THE COMMONWEALTH AMBASSADORS IN THE BRITISH
EMBASSY, WASHINGTON, ON FRIDAY, 16th SEPTEMBER, 1949

Situation in South-East Asia and the Far East

Present:

United Kingdom: Secretary of State,
Sir Roger Makins, Mr. M. E.
Denning, Mr. Barclay, Mr. C. M.
Walker.

Canada: Mr. Hume Wrong.

Australia: The Hon. Norman J. O.
Makin.

New Zealand: Sir Carl Berendsen.

South Africa: Mr. T. H. Eustace.

India: Mme. Pandit.

Pakistan: Mr. M. A. H. Ispahani,
Sir Zafrullah Khan.

Ceylon: Mr. G. C. S. Corea.

The Secretary of State said that he thought that Commonwealth Ambassadors might like to have some account of his talks with Mr. Acheson on South-East Asia and the Far East. At the outset he would like to make it clear that the talks were not designed to reach any firm decision, but only represented an exchange of views.

China

2. Mr. Bevin said that he had been anxious to discuss China with the State Department for some time because he had thought that there were signs that our policies on this question were diverging. The United Kingdom had decided to follow a policy of keeping a foot in the door while the United States have been encouraging evacuation and have decided to close a number of United States Consulates in China. The talks with Mr. Acheson had been most helpful because they had served to make it clear that there is no fundamental difference in the objectives of the United States and the United Kingdom. It became evident that the United States Administration recognised that our situation is different to their's and are not unsympathetic with the policy we intend to follow. It may be that the tactics pursued will be different and it may also well be that elements in Congress and the United States press will be critical of the United Kingdom action, but there now seems every reason to expect an understanding attitude on the part of the United States Administration.

3. On the question of the recognition of a Communist régime when it is set up. Mr. Bevin said that it had been explained to him that the United States attitude is that there should be no premature recognition and that the two prerequisites are that the Communist Government should be

in effective control over the greater part of China and should be prepared to accept China's international obligation. The United States expressed the hope that it would be possible to concert our attitude on the question of recognition.

4. Mr. Bevin said that he felt that as a result of the talks there was a mutual understanding of the two countries' policies and he felt convinced that any question of a serious divergence of views had been avoided. He regarded this as an important achievement.

5. Mr. Hume Wrong asked whether there had been any discussion of the proposal by the Chinese to move a resolution at the United Nations alleging Soviet infractions of the Sino-Russian Treaty of 1945. Mr. Bevin replied that he had not discussed this question in substance with Mr. Acheson but that they had both agreed that it should be discussed further in New York between the Commonwealth delegations and the United States delegation. Mr. Bevin said that his preliminary view was that in its present form the resolution would be difficult to support and he was not clear that it was a good move on the part of the Chinese. He added that he thought that from the United States point of view their recent White Paper was liable to be an embarrassment to them if the Chinese resolution was brought forward. In answer to a question from Mr. Makin, Mr. Bevin confirmed that there had been no discussion of the possibility of intervention in China.

Hong Kong

6. Mr. Bevin said that the situation in Hong Kong was an explosive one and would need careful handling. Commonwealth

Governments were aware of the decision of the United Kingdom Government to maintain our position in Hong Kong. We looked upon the position in Hong Kong rather in the same light as that in Berlin. As in the case of Berlin, it was difficult to foresee the course which events might take, but it was, nevertheless, essential for us to maintain our position in Hong Kong and we had made the necessary arrangements to do so. *Mr. Bevin* said that he had informed *Mr. Acheson* of the conclusions which the United Kingdom Government had reached on this question and he thought that our decision was understood by the United States Administration.

Japan

7. *The Secretary of State* said that our desire for an early treaty with Japan remained unchanged, but the United States seemed unwilling to take any initiative in breaking the present deadlock and he therefore felt that it might be helpful for him to discuss with *Mr. Acheson* the possibility of a treaty being made. *Mr. Bevin* said that the talks had shown that one of the main delaying factors had been the United States apprehensions that if a conference were to be held, and if the United States did not have a veto power, they would not have the voting strength to exercise any controlling influence over the form which a treaty might take. *Mr. Bevin* said that he was determined that there should be no question of the treaty procedure being on the lines of that for the satellite peace treaties in Europe. It was essential that all countries who had taken part in the Japanese war should have a full voice in the treaty-making and he had always stood out for this principle. *Mr. Bevin* said that he realised that the Commonwealth powers

represented a considerable voting power and he therefore thought that, in order to meet United States apprehensions about being out-voted, the best procedure would be for them to obtain preliminary agreement with the countries of the Commonwealth on the main heads of the treaty. This should meet their understandable hesitation. It might be possible in this way to get over one of the obstacles delaying the treaty, but there would, of course, remain the very difficult questions of the form of Russian and Chinese participation, if any.

8. *Mr. Makin* asked whether *Mr. Bevin* now thought that there was any immediate likelihood of a conference taking place. *Mr. Bevin* said that he did not wish the Commonwealth Ambassadors to gain the impression that, as a result of his talks with *Mr. Acheson*, an early conference would be likely to be called, but *Mr. Acheson* had indicated that he would in due course ascertain the views of Commonwealth countries and would, in the meanwhile, accelerate examination of the problems involved by the United States Administration.

9. In conclusion, *The Secretary of State* mentioned that he had had a brief conversation on Indo-China. He said that he had expressed the view that there was sufficient evidence of Ho Chi Minh's Communist affiliation with Moscow, Bao Dai seemed to offer the only alternative to a Communist régime which would threaten the whole of South-East Asia. *Mr. Bevin* said, however, that any full discussion of this problem had had to be postponed pending the arrival of *M. Schumann*, who would be able to explain the French position in the matter.